

R4

USAID/BULGARIA

Results Review and
Resource Request (R4)

1 MAY 2000

Please Note:

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Cover Memo

MEMORANDUM

To: DAA/ENI John Tennant

From: William S. Foerderer, USAID/Bulgaria

Subject: USAID/Bulgaria FY 2002 R-4 Submission

Despite the Kosovo conflict and the lingering effects of the regional and global economic crises, USAID/Bulgaria made excellent progress in 1999. USAID/Bulgaria exceeded most Strategic Objective targets, and will continue to meet or exceed expectations going forward. This conviction has several origins, but resides largely in the strong partnerships that USAID maintains with government, other donors and its counterparts, all of which are broadly dedicated to meeting Stability Pact and EU Accession principles.

The Strategic Framework laid down for Bulgaria in 1998 was valid and pertinent in 1999 and will remain so in 2000. Keen foresight in the Mission's 1998 Strategy positioned USAID/Bulgaria to respond deliberately to changing national and regional needs related to Kosovo and Stability Pact imperatives. Contentious local elections in October 1999, ongoing and mounting allegations of governmental corruption, and increasing poverty and unemployment all portend a difficult year politically in the run-up to the spring 2001 parliamentary elections. The outcome of the election may result in modest course corrections. At this juncture, however, there is no suggestion or expectation that any new government would depart from the paths of democratic and economic reforms and EU Accession. Because the existing strategy expires in 2002, USAID/Bulgaria will review and update the Mission's five-year strategy in 2001. The new strategy will reflect the outcome of the parliamentary election, will benefit from one year's experience negotiating on EC accession, and will set the stage for Bulgaria's eventual graduation from USAID assistance.

USAID/Bulgaria is a leader in Bulgaria and in Central and Eastern Europe, and has piloted many of the projects that are now models for other donors' programs, such as the Local Government Initiative that promotes public participation in decision-making. USAID/Bulgaria chairs or sits on all key donor-working groups, notably those on Small and Medium Enterprise Development, Rule of Law and Anti-corruption. USAID/Bulgaria is in the Agency's vanguard, spearheading programs contributing to Stability Pact and other regional imperatives. These include the Southeast Europe Trade Initiative (SEETI), the Southeast Europe Legal Development Initiative (SELDI), the President's Internet Initiative, and now the potential relocation of the Regional Urban Development Office (RUDO) to Sofia which would support cross-border municipal efforts and facilitate regional linkages.

This R4 reports on new activities, such as the Kosovo-related Danube River Initiative and the Regional Initiative and Social Investment Fund financed with Supplemental and Economic

Support Funds. It examines the prospects for USAID's continued success in achieving results, and the important role that USAID/Bulgaria will play in moving Bulgaria toward European Union accession and ultimate graduation from USAID assistance. In addition, this R4 requests a \$32 million program budget for FY 2001 and FY 2002. These levels reflect the central role that Bulgaria plays in preserving regional economic and political stability, and USAID's pivotal role in leading reform efforts most critical to Bulgaria's EU accession effort.

The cornerstone of USAID/Bulgaria's approach and strategic framework rests on developing sustainable partnerships with government, business, and NGOs that secure democratic and economic reforms. This approach has been extremely successful: for example, business associations will no longer be the object of assistance, but rather a source of assistance to members and the broader business community. Substantive progress has also been demonstrated among social sector NGOs, notably the Foundation for Local Government Reform (FLGR) which responded immediately to the Crisis Recovery mandate, and is leading implementation of the \$5 MM Danube River Initiative. Despite FLGR's success, most civil society organizations are not yet equipped to sustain their activities independent of USAID assistance, and thus support to this sector will be continued but refined.

USAID/Bulgaria enjoys extremely close and productive relations with its bilateral and multilateral counterparts. We work closely with the UNDP to address poverty and joblessness. We have forged banking and pension reform strategies with the World Bank and IMF. We collaborate with the Swiss in environmental conservation. Each partnership, from the World Bank to the Polish Know How Fund, is based on technical and financial burden sharing, are essential to the success of USAID's programs. Sustainable partnerships factor closely into all planning and strategy formulation, and contribute substantively to achieving results under the approved framework.

Though the results framework is largely unchanged, in future R4s several indicators will be replaced because activities or approaches will graduate, and because changing needs demand new perspective. New indicators will be identified in the strategy review planned for 2001.

Finally, two issues critical to USAID/Bulgaria's success are staffing and operating expenses.

Staffing: USAID/Bulgaria is privileged to have a professional and enormously competent staff that functions as a team. In FY 1999 USAID/Bulgaria requested and received authorization to increase staffing levels to 34, comprised of 4 USDH, 4 USPSC and 26 FSNs. At this staffing level USAID/Bulgaria can successfully implement and manage its programs. However, with the deletion of one USDH slot in 1999, USAID/Bulgaria may request authority to hire one additional USPSC. The incoming mission director will make a determination on action related to this request. No other substantive staff changes are anticipated. (See OE and Workforce Narrative).

OE Levels and Funds for Training: As a result of the FY 1999 increase in staffing levels the Mission requested and received increased operating expense budget. With two OE-funded USPSCs on-board, the Mission can function at the current level of \$1.2 MM. Assuming no other changes, USAID/Bulgaria requests modest increase to \$1.3 MM in FY 2001 and 2002 due to USDH turnover and equipment replacement. (See OE Budget Narrative).

Table of Contents

R4	1
Please Note:	Error! Bookmark not defined.
Cover Memo	3
Table of Contents	5
R4 Part I: Overview/Factors Affecting Program Performance	6
R4 Part II Results Review by SO	10
Text for SO a	10
Text for SO b	20
Text for SO c	28
Text for SO d	36
Text for SO e	42
Text for SO f	50
Text for SO g	55
R4 Part III: Resource Request.....	59
Program, Workforce and OE.....	64
Supplemental Information Annexes	65
Environmental Impact	66
Updated Framework Annex.....	67
Success Stories	73
Global Climate Change	74
E&E R4 Detailed Budget Information.....	76
Supplemental Annex.....	77

R4 Part I: Overview/Factors Affecting Program Performance

1. Political, Economic and Social Changes and Trends

In late 1999, the European Union invited Bulgaria to open accession negotiations, heralding a new political and economic era for Bulgaria. Negotiation of five to seven chapters of the Acquis Communautaire commence this year, with the EU process expected to promote democratic government, rule of law, and an economy able to sustain the competitive pressures of accession. The invitation resulted from the Kostov Government's two-year history of success in implementing political and economic reforms, and is reward for the government's politically difficult decision to support NATO during the Kosovo conflict.

Bulgaria thus entered the new century as a strong regional leader, having weathered both the political conflicts afflicting neighbor states and the lingering effects of the global financial crises. Bulgaria is seen as an anchor in the region, playing a critical role in assuring Southeast European stability. However, upcoming elections, persistent allegations of deep-seeded corruption, wavering confidence in the Central government, and increasing poverty and income disparity may weaken the government's ability to sustain momentum and stay the course of reform.

Local elections in October 1999 issued a first warning to the Kostov government. Victories anticipated in key municipalities were snatched by opposition party candidates. Though the elections could have been cast as a victory for democracy, Kostov and his Union of Democratic Forces (UDF) interpreted the returns as a bleak referendum on the governing majority. With more than a year to go until the spring, 2001 Parliamentary elections, Kostov addressed the seemingly endless allegations of governmental impropriety and corruption with a bold late 1999 cabinet shake-up. Powerful ministers were removed from office, but neither indictments nor prosecutions followed.

Earlier in the year, the government reversed its pledges of decentralization when it reimposed Bulgaria's communist era regional structure, with 28 governors appointed by the Prime Minister standing between municipalities and central government. Post-election protocol imposed on municipal governments further restricts local fiscal authority. While the 1999 Law on Regional Development putatively complies with the EU's pre-accession requirements, the government's tight reign over the National Plan for Regional Development reinforces central control.

Over the past two years, global and regional economic crises have dampened Bulgarian and emerging markets' growth. Bulgaria, nevertheless, has persevered in following a path of market reform, albeit at a pace less than desirable. Initially dire economic forecasts of Kosovo's impact did not fully materialize. Admittedly, Bulgaria suffered the disruption of trade and commercial routes, but as Kosovo's immediate effects faded, GDP accelerated strongly in the fourth quarter boosting the annual growth rate to 2.5% with inflation low at roughly 2%. Sound fiscal policies under a robust Currency Board arrangement held the budget deficit in check at .9% of GDP, well within IMF targets under the three-year Extended Fund Facility (EFF). Foreign currency reserves hovered near \$3 billion through 1999, representing 6 months import cover. It was a year of aggressive privatization and restructuring, with more than 1,000 state enterprises sold.

Approximately 400 significant state-owned firms remain to be privatized, but non-infrastructure private assets increased from 66% of total GDP after nine months, and are estimated to have surpassed 70% by year-end.

While the commencement of accession negotiations is undeniably good, a pre-election year shadow hangs over the government's short-term allegiance to market reform. Kostov remains committed to reforms in principle, but increasing poverty and unemployment may precipitate backtracking, as evidenced by the imposition of energy price caps in late 1999. While nothing is certain, freezing energy prices may portend other policy reversals during the run-up to the Parliamentary election, as the UDF seeks to bolster and solidify support. A February 2000 UNDP poll found a substantial decrease in public approval ratings for the Prime Minister, Parliament, and the President resulting from deteriorating income and employment expectations, and the strong perception that corruption is rampant among political elites. Fighting corruption and creating jobs will be the preeminent political and economic themes through the next year.

2. USAID Program Strategy and the U.S. National Interest

The USAID/Bulgaria program is central to the U.S. Embassy FY 2000 Mission Program Plan (MPP), which identifies National Security as the overwhelming U.S. national interest in Bulgaria. Situated between the former Yugoslavia, Greece and Turkey, all sources of potential political and economic tension, Bulgaria is important in achieving the US foreign policy goal of regional stability. USAID/Bulgaria's program directly supports two of the central "Mission Goals" of the MPP: Democracy (DH) and broad-based Economic Development (ED), with the twin pillars of the USAID/Bulgaria program which are: "fostering the emergence of a competitive, market-oriented economy", and "supporting the transition to transparent and accountable governance and the empowerment of citizens through democratic political processes." The Mission also supports two other MPP goals: Regional stability; and Anti-corruption and international crime. Indirectly, USAID's programs also support the promotion of U.S. exports and the environment.

USAID/Bulgaria is implementing essential programs with Kosovo emergency supplemental funding to mitigate the impact of the crisis on hard-hit areas. In addition, the formation of the Stability Pact for Southeast Europe has prompted the Mission to develop opportunities to increase regional cooperation among the countries in the region.

3. Summary Progress in Implementing the Approved Strategic Plan

USAID/Bulgaria made excellent progress in implementing its country strategy in 1999. Results in economic restructuring exceeded expectations at the Strategic Objective level and at most indicator levels. The private sector share of GDP and of bank assets both exceeded targets, and key legislation now paves the way for business development and accelerated financial and fiscal sector reform. Market capitalization of listed equities fell disappointingly short of expectations, precipitating a mid-course correction that will focus on corporate and non-sovereign debt rather than equities going forward. The overall strong performance can be attributed to committed host-country counterparts and effective project implementers.

Progress towards achieving democracy goals was substantial, though wavering host-country commitment was a factor in some areas. A long-pending NGO law passed first reading, and support for NGO development was consolidated in ten Intermediate Support Organizations, thus completing a significant transition under the Democracy Network program away from direct USAID support. The foundation for assistance to Bulgaria's judiciary was laid, and USAID helped establish the Magistrates' Training Center that is training judges and contributing to comprehensive judicial reform, including court administration. Despite increasingly delicate relations between municipalities and the central government, and a pullback on decentralization at the national level, the local government program initiated effective policy reform projects and trained hundreds of new municipal staff. Through a number of programs, citizens' participation in national and local governance expanded in 1999.

USAID/Bulgaria continued to influence the development and harmonization of Bulgaria's legal and regulatory framework according to EU standards, under both the democracy and economic strategic objectives. USAID played a significant role in the passage of numerous important laws, notably those related to tax, crime and corruption, bankruptcy and pension reform.

4. Prospects through Fiscal Year 2002

USAID/Bulgaria's prospects for continued progress towards all five of its strategic objectives over the next two years are excellent, although upcoming parliamentary elections may influence the government's commitment to political, democratic and economic reforms. Wavering commitment could negatively affect short-term results under some Strategic Objectives, but there is little doubt that Bulgaria will remain on course, headed towards EU accession within the next decade. With excellent working relations with government counterparts and other donors, the Mission is well positioned to achieve its goals.

USAID/Bulgaria will revise its five-year strategy in 2001, and will align future activities with Bulgaria's accession-related needs not met by the European Union. Over the next year, USAID/Bulgaria will intensify the two major thrusts of the country strategy: broad-based and bottom-up efforts focused on municipal interventions; and policy related initiatives promoting Bulgaria's competitiveness. Two such efforts already underway are the Southeastern Europe Trade Initiative, and the Southeastern European Legal Development Initiative which was spawned by USAID/Bulgaria's very successful Coalition 2000 anti-corruption effort. The Presidential Internet Initiative, which USAID/Bulgaria won, will further support the development of regional links such as cross-border NGO-NGO assistance, securities regulation, anti-corruption and trade, if FY 2000 performance funds are provided as pledged.

USAID's ISO-centered approach to democracy building and enterprise development is maturing. Some associations, now sustainable, will become partners in delivering assistance, rather than the objects of assistance. Some of our local government ISOs, such as the National Association of Municipalities in the Republic of Bulgaria (NAMBR) and the Foundation for Local Government Reform (FLGR), are already sustainable partners, and play integral roles in implementing USAID programs and strategy.

5. Graduation Prospects

Bulgaria will continue to prepare for EU accession, and while the Government is optimistic that it will readily conclude negotiation of the first chapters of the Acquis Communautaire, accession is not foreseen for a decade. In order to preserve regional stability and our U.S. national security interest, USAID must continue to support Bulgaria and its accession efforts.

Bulgaria is neither prepared democratically nor economically for graduation at this point in time. Reviewing regional experience in the northern tier and central European countries, premature graduation could significantly impair Bulgaria's prospects for EU accession, and compromise our national interests in South Eastern Europe's stability. Any firm decision regarding graduation cannot credibly be made until after the Parliamentary election in 2001, and any speculation as to the outcome would be imprudent at this juncture. Pending the outcome of the election, and in light of the proposed Strategy Review, USAID/Bulgaria will continue to promote Stability Pact and EU Accession goals, and will graduate Bulgaria from U.S. assistance when keystone criteria are satisfied.

R4 Part II Results Review by SO

Text for SO a

Country/Organization: USAID Bulgaria

Objective ID: 183-013-01

Objective Name: Accelerated Development and Growth of Private Enterprises in a Competitive Environment

Self Assessment: Exceeding Expectations

Self Assessment Narrative: Despite economic and political instability in the region and disrupted trade relations, SO 1.3 exceeded expectations and continued to produce results contributing to the stability and growth of the Bulgarian economy.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets | <input checked="" type="checkbox"/> 1.2 Ag Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input checked="" type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input checked="" type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input checked="" type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Regional Stability

Summary of the SO:

SO 1.3 takes a comprehensive approach to improving the business environment and developing a more competitive and productive private sector. This approach supports and complements the GOB goal of EU accession. The SO achieves this goal through innovative programming at three critical levels of the economy. Under this Strategic Objective, USAID/Bulgaria seeks to develop a strong legal and policy framework by promoting dialogue between the GOB, associations and the private sector. Activities under this objective will develop sustainable partnerships between public and private sector actors by strengthening business, trade and professional associations to serve as policy advocates and to provide enhanced business services to their members. Finally, USAID activities will help mobilize capital to enterprises and improve the competitiveness of micro, small and medium-sized firms.

Key Results:

Performance under this SO has exceeded expectations despite a difficult year plagued by economic and political crises in the region. Continued weakness in regional economies, the blockage of Danube trading routes, and soft commodities prices for Bulgaria's key exports all conspired against strong growth. Nevertheless, GDP expanded 2.5% in 1999. The private sector share of GDP grew from 65% in 1998 to 66% in the first nine months of 1999, thus meeting the annual target.

A second goal is to increase private sector participation in the development of laws, policies and regulations. Increased private sector participation ensures the responsiveness of legislation, making it more representative, democratic and enforceable. In 1999, 23 laws and policies were developed with public participation, exceeding the target of 18.

USAID has sought to strengthen private sector business support associations as a means to accelerate growth and enterprise development. While results against relevant indicators are mixed, our assessment of the state of business associations, their sustainability, and their roles in influencing policy, is very positive. Dues-paying membership increased only 5% against a 15% target while association revenues surged 35% against a target of 15%, due to an impressive increase in fee-generating services. The data are very positive because they demonstrate diversification of revenues and increasing financial sustainability. Association data also indicate that few unaffiliated firms remain to be recruited into chambers of commerce and associations, and thus Bulgarian business associations can now legitimately claim to represent the majority of the community. Therefore, business association-building efforts will no longer be an object of targeted assistance. Rather, associations will serve as the foundation for sustainable partnerships in promoting SME development, notably in the areas of competitiveness and external trade. This shift is fully consistent with USAID's commitment to strengthening regional commercial linkages, and contributes directly to Stability Pact goals and objectives.

Performance and Prospects:

The Mission exceeded its legal and policy reform targets in 1999 by assisting the private sector to participate in developing 23 laws and policies (five more than the target), including the Bankruptcy and Deposit Insurance Laws; the Tax Procedures Code, and the Social Code. Two activities support these legal and policy reform efforts: ABA/CEELI and IPC. ABA/CEELI provides valuable input into the legislative and policy drafting processes (i.e. procurement, tax and bankruptcy legislation). CEELI is also working directly with the GOB, unions and the

private sector to develop the National Conciliation and Arbitration Agency and a private sector court of arbitration. Each will provide much-needed alternative dispute resolution in Bulgaria.

The Implementing Policy Change (IPC) project created an effective framework for public policy dialogue and coordinated very successful and influential trade events, including the South East Europe Trade Initiative (SEETI) and a bilateral trade fair with Macedonia which generated several hundred thousand dollars in transactions. SEETI has set the stage to resolve critical trade issues and provides an important venue to develop trade linkages and sustainable partnerships between the public and private sector in removing barriers to free and open markets. IPC also spearheaded significant crosscutting initiatives, such as public education campaigns for financial sector activities, and a public information office at the National Parliament. IPC continues to work with the GOB to develop procedures permitting greater public access to the legislative process.

The Firm Level Assistance Group (FLAG) produced significant results in strengthening associations and enterprises. FLAG-targeted consulting firms increased revenues by 27%, 7% more than target. The value of linkages created in 1999 was over \$10 million; sales by assisted firms increased by \$33 million; and exports increased by over \$14 million. These results are remarkable given that many FLAG clients are located in disadvantaged areas. FLAG also utilized the successful Grain Industry Development Program (GIDP) to assist clients. By year-end 1999, five warehouses with 100,000 metric tons of capacity had been inspected and bonded, with another eight licenses pending. The GIDP is critical to stabilizing commodity prices and improving the quality of these commodities. Associated with GIDP is a Warehouse Receipts program, which introduced a new financial instrument that mobilizes scarce working capital for farmers' short-term needs.

The CARESBAC/SEAF activity continues to support enterprises through equity investments, but results in 1999 were generally poor, with less than \$ 400,000 in new investments registered. Overall, CARESBAC companies generated more than \$12 million in revenues and created 118 new jobs against a target of 100.

In 1999, USAID launched three micro finance activities: Opportunity International/Nachala Foundation (OI); Catholic Relief Services (CRS); and the World Council of Credit Unions (WOCCU). OI and CRS currently have over 1,000 loans outstanding, with over 50% to women. The World Council of Credit Unions (WOCCU) program provides technical assistance to Mutual and Popular Kasas (the Bulgarian equivalent of credit unions), which have 6,500 members and over \$500,000 in outstanding loans.

USAID signed two guarantee agreements with the United Bulgarian Bank (UBB): A Loan Portfolio Guarantee Program (LPG) to mobilize credit to small and medium enterprises, and a Development Credit Authority (DCA) for energy efficiency projects. These two agreements will leverage more than \$12 million of commercial credit for qualifying borrowers, with UBB paying facility and origination fees. Both facilities assist in mobilizing longer-term credit to the market, with the DCA contributing directly to the Mission's Energy Efficiency Program and to Global Climate Change Initiatives.

The new Municipal Energy Efficiency Program (MEEP) will support municipal and industrial energy efficiency projects. MEEP combines technical assistance with a loan guarantee facility (DCA) in an effort to move money into the marketplace more efficiently and effectively. An ancillary benefit of this activity supports municipal fiscal decentralization (SO 2.3). With savings realized from reduced energy costs, municipalities will increase own-source revenues, supporting USAID aims in fiscal decentralization.

The Mission anticipates excellent performance under this SO over the next two years. Upcoming Parliamentary elections may affect some programs though we do not anticipate any easing of the GOB's commitment to EU accession and the requisite policy reforms. The Mission would envisage the reduction in scope or closeout of this program in the event of any serious reduction in funding.

Possible Adjustments to Plans:

Progress under this SO should be excellent over the next two years. The Mission will build on the success of the Regional Conference on the South East Europe Trade Initiative by establishing stronger regional commercial linkages and industry clusters, and by improving Bulgaria's competitiveness. This is an evolutionary step in the development of the SME strategy. USAID will use the SEETI working groups to develop a broader, bottom-up approach to policy reform based upon a competitiveness model applied nationally and in a broader regional context. USAID will also continue to support local and regional trade linkages through the use of GTN, Ecolinks, and the Presidential Internet Initiative, and will explore the use of additional Development Credit Authority to leverage resources and enhance results. Assumptions related to the role of associations will be examined, and conclusions will be reflected in the forthcoming strategy revision, with the expectation that associations will remain valuable partners in furthering the policy reform agenda under SO 1.3. The indicator "Increase in Fee-Paying Members of Assisted Associations" will be removed for reasons discussed above.

Other Donor Programs:

USAID and the EU PHARE will continue to co-chair an SME donor-working group which has been very effective in coordinating all related donor activities. USAID is working with other donors (EU-PHARE, the Know-How Fund, and the World Bank) on SME policy, but is unique in promoting public participation in the legislative process. The EBRD, IFC, EU and KHF are also developing programs to increase the availability of debt and equity finance.

Major Contractors and Grantees:

The institutional, legal, and regulatory activities are implemented by ABA/CEELI and by Management Systems International. Small and medium enterprise and association-related activities are implemented by the FLAG consortium, comprised of four partner organizations: The International Executive Service Corps (IESC); the MBA Enterprise Corps; ACDI/VOCA; and the University of Delaware. The World Council of Cooperative Credit Unions, Catholic Relief Services, and Opportunity International/Nachala Program are implementing USAID microfinance activities. The Municipal Energy Efficiency Project is implemented by Electrotek Concepts, with a local NGO, EnEffect. The Development Credit Authority and the Loan Portfolio Guaranty Program are administered with the United Bulgarian Bank.

Performance Data Table

Objective Name: Accelerated Development and Growth of Private Enterprises in a Competitive Environment	
Objective ID: 183-013-01	
Approved: 02/1998	Country/Organization: USAID Bulgaria
Result Name: S.O. 1.3. Accelerated Development and Growth of Private Enterprises in a Competitive Environment	
Indicator: Private Sector Share of GDP	
Unit of Measure: Annual Percentage	Represents the Gross Value Added by the private sector as of Sep. '99
Source: National Statistical Institute; BAS; IMF; WB reports	
Indicator/Description: Proportion of GDP provided by private sector	
<p>Comments: As financial stabilization and privatization continue, the gross value added by the private sector in the economy will continue to increase. Private firms and competitive industry clusters will resume full capacity operations which will substantially increase the intensity of their demand for services and investment. USAID programs target both private and privatized firms through technical assistance. The main target group for future interventions will be enterprises, or groups of enterprises within a sector which currently are, or have demonstrated potential to become market "champions". Through its programs, USAID will develop and provide long-term assistance to these clients, utilizing available resources and expert advice in the areas of: implementing quality standards; improving marketing and production management efficiency; access to short-term and investment credit; and, facilitation of joint ventures with Western companies. The ultimate objective of this effort will be improved competitiveness of priority industry clusters which will result in sizable increases in productivity, exports and jobs creation.</p> <p>* NSI data for the first nine months of 1999</p>	

Year	Planned	Actual
1997	45%	55%
1998	62%	65%
1999	66%	65.8%*

2000	70%	NA
2001	75%	NA
2002	80%	NA

Performance Data Table

Objective Name: Accelerated Development and Growth of Private Enterprises in a Competitive Environment	
Objective ID: 183-013-01	
Approved: 02/1998	Country/Organization: USAID Bulgaria
Result Name: IR 1.3.1. Development of Laws, Policies & Institutions Which Enable Private Sector Growth	
Indicator: Laws, Regulations and Policies Affecting Private Sector Growth Are Drafted or Amended and Presented to Parliament	
Unit of Measure: Number	
Source: National Assembly; IPC; ABA/CEELI; GOB	
Indicator/Description: The number of laws, regulations or policies amended, drafted or reviewed by private sector interests and presented to Parliament.	
Comments: In FY 1999, USAID continued its support to associations, business support organizations and other private sector institutions that resulted in exceeding the target under key legislative and policy advocacy. Fifty-four draft legislative acts have been disseminated to more than 150 business associations, agencies, think tanks and institutes. The Private Sector has commented on 23 of these 54. Some of the most important legislation includes: Small and Medium Enterprises Act; NGO Act; Trade Act; Access to Information Act; Cooperatives Act; Amendments to the Act on Banks; Bank Bankruptcy Act; Deposit Insurance Law; Law on Public Offering of Securities; Law on Supplemental Voluntary Pension Insurance; Social Code; Food Act; National Standardization Act; Amendments to the Accounting Act; Cadastre and Land Register; Amendments to the Commodity Exchange and Markets Act; Tax Procedures Code; Land Registry Act; Law on Regional Development; Local Government and Local Administration Act; Preservation of Agricultural Lands Act; Amendments to the Civil Procedures Code; Currency Act; and the Personal Income Tax Act	

Year	Planned	Actual
1997	10	10
1998	12	12
1999	18	23

2000	20	NA
2001	25	NA
2002	25	NA

Performance Data Table

Objective Name: Accelerated Development and Growth of Private Enterprises in a Competitive Environment			
Objective ID: 183-013-01			
Approved: 04/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 1.3.2. Private Sector Business Support Associations & Institutions Strengthened			
Indicator: Increase in Fee-Paying Members of Assisted Business Associations/ISOs			
Unit of Measure: Annual Percentage	Year	Planned	Actual
Source: FLAG activity reports; Business Associations reports and surveys	1997	10%	20%
	1998	15%	15%
Indicator/Description: Measure of the increase in breadth of representation	1999	15%	5.1%
	2000	15%	NA
	2001	15%	NA
	2002	15%	NA
Comments: USAID has historically assisted business associations and member-based organizations. To date, USAID has assisted almost 90% of the business associations in the country. USAID has accomplished its goal of establishing proficient and sustainable associations, and is now considering graduation of this development approach. Nonetheless, USAID programs will continue to collaborate actively and interact with business associations in their efforts to promote private sector growth.			

Performance Data Table

Objective Name: Accelerated Development and Growth of Private Enterprises in a Competitive Environment			
Objective ID: 183-013-01			
Approved: 04/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 1.3.2.1. Improved Business Performance of Private Sector Association Members			
Indicator: Increase in Exports of Target Firms			
Unit of Measure: Percentage	Year	Planned	Actual
Source: Reports of Assisted Firms, FLAG Reports	1997	NA	NA
	1998	15%	13%
Indicator/Description: Percent increase in the value of exports of target firms. Measures competitiveness	1999	10%	9.5%
	2000	12.5%	NA
	2001	15%	NA
Comments: This indicator was established in early 1998 as a measure the competitiveness of assisted firms. In FY 1999 assisted firms exported \$14,068,525 representing a 9.5% increase in exports (0.5% below target). Despite the modest shortfall, results are nevertheless commendable given Bulgaria's \$663 million current account deficit caused by a 7.4% increase in imports against a 5.6% contraction of exports.* Despite weak national economic performance, USAID-assisted companies continue to generate employment in disadvantaged and poor regions, and contribute to improving the well-being of the communities where they are located.	2002	15%	NA
* Source IPIS, Macroeconomic Overview, http://ipis.online.bg/macroeco/			

Text for SO b

Country/Organization: USAID Bulgaria

Objective ID: 183-014-01

Objective Name: A More Competitive and Market Responsive Private Financial Sector

Self Assessment: Exceeding Expectations

Self Assessment Narrative: This Strategic Objective comprises activities addressing banking, capital markets, pension and health sector reform, as well as tax and debt management. SO 1.4. results in banking, particularly bank privatization, and pension reform have far exceeded expectations, and bank and pension legislation is fully harmonized with EU standards. Securities regulation has been strengthened, though the capital market remains disappointingly narrow and illiquid. Debt management assistance has produced a debt management policy, a first in the region, with a debt management strategy (law) now pending in Parliament.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Agricultural Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Education/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Education/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input checked="" type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input checked="" type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Regional Stability

Summary of the SO:

Strategic Objective 1.4 creates a more competitive and market-responsive private financial sector and is composed of three elements: the establishment of a sound, regulated and efficient banking system; a regulated, transparent and liquid securities market; and a sound regulated pension system. Emphasis is placed on oversight and regulation in all sectors in order to build integrity and soundness. Financial sector stability, based upon public confidence and trust, contributes directly to U.S. foreign policy interests by promoting economic and political stability in Bulgaria and within the region. Beneficiaries of SO 1.4 programs include all those participating in or dependent upon the financial system, including bank depositors or borrowers, equity investors and investees, and pensioners, among others.

Key Results:

In 1999, Bulgaria enjoyed continued financial sector stability, and USAID activities in this area exceeded expectations at virtually all levels. Private bank assets rose to 55% against a 50% target, due to the sale of two more state banks. Four banks have been sold since 1997, which is remarkable given adverse market conditions associated with the emerging markets' (Asia/Russia) crises and the Kosovo conflict. Non-performing loans decreased from 11.7% of aggregate lending in 1998 to 9.4% at year-end 1999 (ahead of the target 10%). These strong results reflect improved stability of the financial system, which is attributable to USAID's banking projects.

As a result of USAID assistance with pension reform, two key laws were adopted in 1999: The Law on Voluntary Supplementary Pension Insurance (Private Pension Law) and the Social Code. Passage of these laws puts Bulgaria on a very fast track to implement its pension and social benefits reform. The Private Pension Law sanctions private pension funds and establishes the Social Insurance Agency to license and regulate them. The Social Code transformed the public defined-benefit system into a private defined-contribution system. In late 1999, the Parliament ratified the long-overdue Law on Public Offerings, laying the foundation for Bulgaria's capital market. The law, developed with USAID assistance, is harmonized with EU standards. All entities regulated by USAID-assisted institutions, banks, broker-dealers and pension funds, will adopt internationally accepted accounting standards - a major accomplishment.

Performance and Prospects:

USAID's banking program consists of privatization, supervision and deposit insurance, as well as commercial banker training: each well-exceeded expectations in FY 1999. USAID advisors to the Bank Consolidation Company (BCC) are implementing an aggressive privatization strategy, which has surpassed past regional experience. Four banks have been sold, all to strategic foreign buyers, with Societe Generale and Regent Pacific purchasing Expressbank and Hebros Bank respectively, in 1999. The remaining state banks, Biochim and Bulbank, have been tendered with promising bids received for each. These sales should close in 2000 and will conclude USAID assistance in bank privatization. USAID will continue its successful bank supervision program, now comprised of "on" and "off-site" supervision and deposit insurance. USAID, with Central Bank (BNB) counterparts, has developed a risk-based rating system adhering to international standards (Basle Core principles). In 1999, 19 risk-based examinations took place, one more than targeted. In addition, ten senior inspectors participated in highly effective US-

based training. As an adjunct to bank supervision, USAID is assisting the newly-established Deposit Insurance Fund (DIF) and is drafting policies, rules and procedures manuals that will better protect depositors. With the creation of the DIF, household deposits soared to 68.4% of total deposits in 1999, up from 44.4% in 1998; evidence of the critical role that deposit insurance plays in building confidence. In addition, extensive legal advice has been provided to the BNB and the DIF in drafting a new bank insolvency law -- part of IMF conditionality. In late 1999, USAID revised and updated its banking strategy and launched an expanded commercial banker training activity to strengthen the Association of Commercial Banks (ACB) and its majority-owned International Banking Institute (IBI). The objective is to strengthen the banking system through an ACB that better represents member interests, and trains the next generation of commercial bankers.

The Capital Markets program is comprised of three elements: regulation, training and infrastructure development. USAID-funded advisors drafted securities legislation, including the Law on Public offerings, and assisted the Bulgarian Stock and Securities Exchange Commission (BSC) with regional initiatives which harmonize legislation and enforcement, and facilitate the exchange of information. In July 1999, the BSC hosted the first regional regulators' meeting with ten countries represented. Ongoing assistance will strengthen secondary legislation and improve surveillance and enforcement capabilities. Commission members and staff have received substantial training, including U.S.-based training through the U.S. Securities Exchange Commission. USAID advisors provide comprehensive securities training to broker/dealers, institutional investors and analysts in an effort to build competence. USAID is training brokers and dealers who, as in the United States, must be licensed by the Securities Commission. In 1999, the number of licensed broker/dealers stood at 217, just shy of the target 230. In 1998, USAID launched the Capital Markets Development Activity to assist the Bulgaria Stock Exchange (BSE/S), the Central Depository AD (CDAD), and the broker/dealer association. USAID has helped the BSE/S and CDAD prepare business plans and upgrade the securities trading, clearance and settlement, and registry systems. As a result of an adverse investment climate, trading volumes collapsed in 1999, and market capitalization plunged to 3.3% of GDP. Initially, this capital markets activity focused on equity offerings, but due to these poor results, the effort has shifted to corporate and non-sovereign debt. We are hopeful that this reorientation will help build a broad and liquid Bulgarian securities market.

USAID's pension reform activities were launched in early 1999, and USAID has since assisted in developing the national pension reform strategy as well as the Law on Supplementary Voluntary Pension Insurance and the Social Code. USAID provides support to the newly-established Social Insurance Agency which licenses and supervises all private pension and health funds. USAID/ Bulgaria is closely engaged with the World Bank, the IMF and other donors in coordinating these efforts. In conjunction with the U.S. Treasury Department, USAID provides debt management assistance to the Ministry of Finance. Results are extremely impressive so far, with a debt strategy now in place and a Sovereign Debt Law pending. Bulgaria's new debt management strategy may be a major factor in possible upgrades of Bulgaria's debt by Standard & Poor's and Moody's, which will reduce Bulgaria's borrowing costs.

USAID-supported activities in banking, capital markets, pension reform and debt management will meet or exceed most targets in 2001, assuming that the government upholds the Currency

Board Arrangement and maintains its commitment to financial sector reform. Under these conditions, USAID will begin to phase out programs early in FY 2001.

Possible Adjustments to Plans:

Given the importance of banking, capital markets and pension activities to the country's economic development and eventual EU accession (and USAID's leadership in all three areas), the Mission will sustain significant investment in these sectors. Complementary initiatives, such as Health Finance Reform and Tax Administrative Reform will be added in FY 2000.

Banking sector efforts will focus on strengthened off-site supervision, integrating this with the well-established on-site program. Although bank privatization will have largely concluded by late 2000, USAID will extend this contract in response to a formal request from the GOB for broadened privatization assistance. Extension requires no additional funding.

Assistance in capital markets development will target the development of secondary legislation and on strengthening enforcement mechanisms. In line with Stability Pact precepts, USAID will support the development of regional market linkages between securities regulators and exchanges, hopefully bringing volume and liquidity to the individual markets. In 2000, USAID will report on the volume of private pension assets under management (IR 1.4.3) rather than on the number of licensed broker/dealers (IR 1.4.2.2.) because assets under management better measures market development and confidence in the private pension system.

In 2000, USAID will launch a health sector finance activity with the Ministry of Health and the Bulgaria National Health Insurance Fund (BNHIF). Health sector finance is an important activity, since the collection of contributions will be consolidated with pension and personal income tax. Moreover, regulation of the BNHIF will be consolidated under the pension regulator, State Insurance Supervision Agency (SISA). This activity will also build upon a financial model provided to the BNHIF through the USAID Local Governance program. USAID assistance will assure that the BNHIF has functioning and accurate record-keeping systems, and sound procedures providing for asset/management and timely and efficient claims payment.

USAID assisted the Ministry of Finance General Tax Directorate for six years through 1998 with halting success. USAID significantly reduced its investment in 1999 pending clear indication of GOB commitment to tax reform. The passage of key legislation and sweeping personnel changes in late 1999 provided such an indication, and USAID and Treasury are now developing a broad tax assistance package. Given the importance of this activity to financial sector reform, USAID/Bulgaria proposes moving the Treasury debt and tax programs from SO 4.1 to SO 1.4.

Other Donor Programs:

The British Know-How-Fund (KHF) is implementing a distance-learning program with the IBI and provides limited support to the BSEC. The World Bank will provide financing for the NSSI and BNHIF technology procurements.

Major Contractors and Grantees:

Barents Group LLC is the contractor for the three banking projects. Carana Corporation implements the Capital Markets and the Pension Reform Projects.

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 183-014-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: S.O. 1.4 A More Competitive and Market Responsive Private Financial Sector			
Indicator: Private Bank Assets as a Percent of Total Bank Assets			
Unit of Measure: Percent	Year	Planned	Actual
Source: Bulgarian National Bank/Banking Supervision Department	1997	NA	32.7%
	1998	40%	44%
Indicator/Description: Private Bank Assets as a Percent of Total Bank Assets	1999	50%	55%
	2000	85%	NA
	2001	85%	NA
Comments: Both domestic and foreign (branches and subs) private assets are included			

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 183-014-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 1.4.1 A Sound, Regulated and Efficient Banking System Established			
Indicator: Non-Performing Loans as a Percent of Total Bank Loans (more than 60 days past due)			
Unit of Measure: Percent	Year	Planned	Actual
Source: Bulgarian National Bank/Banking Supervision Department	1997	NA	22%
	1998	20%	11.7%
Indicator/Description: Gross book value of non-performing loans (more than 60 days past due) to total bank loans	1999	10%	9.4%
	2000	8%	NA
	2001	5%	NA
Comments:			

Performance Data Table

Objective Name:			
Objective ID: 183-014-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 1.4 A More Competitive and Market Responsive Private Financial Sector			
Indicator: Market Capitalization as a Percent of GDP			
Unit of Measure: Percent	Year	Planned	Actual
Source: Bulgarian Stock Exchange (BSE)	1997	0	0
Indicator/Description: Market Capitalization of private sector firms whose shares/securities are listed on a licensed exchange	1998	5	7
	1999	7	3.3
	2000	10	NA
	2001	15	NA
Comments: Due to poor results in promoting initial and new equity issues, USAID/Bulgaria has shifted emphasis to corporate and non-sovereign bond and other fixed income securities listed and traded on a licensed exchange.			

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 183-014-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 1.4.2.2 Institutionalized and Broad Public Participation in Securities Markets Increased			
Indicator: Number of Licensed Dealers			
Unit of Measure: Number	Year	Planned	Actual
Source: BSSEC	1997	0	0
Indicator/Description: Total number of dealers (individuals) who maintain their licenses current	1998	35	195
	1999	230	217
	2000	250	NA
	2001	300	NA
Comments:			

Text for SO c

Country/Organization: USAID Bulgaria

Objective ID: 183-021-01

Objective Name: Increased, Better-Informed Citizens' Participation
in Public Policy Decision-Making

Self Assessment: On Track

Self Assessment Narrative: Important progress was made on Strategic Objective 2.1 during the reporting period with regard to NGO legal framework, independent media and civil society development.

Primary Link to Strategic Agency Framework: 2.3 Politically Active Civil Society
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Agricultural Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input checked="" type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Education/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Education/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Democracy and Human Rights

Secondary Link to MPP Goals (optional): Regional Stability

Summary of the SO:

The existence of a strong, flourishing and well-informed civil society is integral to USAID/Bulgaria's ultimate goal of establishing a free-market economy and democratic institutions. Therefore, this SO will build the capacity of NGOs to play a key role in facilitating broad public participation in policy and decision making. The objective will be achieved when non-governmental organizations are fully developed to ensure citizens' participation, and when independent media fairly and objectively present public affairs news to Bulgarians.

Key Results:

USAID/Bulgaria rates progress under this SO as on target, despite the adverse effect of the 1999 NGO Sustainability Index recalculation on Bulgaria's rating. The legal environment is improving. A unified NGO draft law was prepared with USAID assistance to create enabling conditions for NGO development. More services are being provided to NGOs, as ten Intermediary Support Organizations (ISOs) are now funded to provide grants, training and networking to smaller NGOs in important sectors. This new infrastructure is enabling grassroots NGO's to more effectively advocate and provide services to their constituents. The media environment is also improving. With USAID's assistance, amendments to media legislation have been accepted which overturned previous constitutional violations regarding right to privacy. Moreover, the draft Access to Information Law passed the first reading in 1999 and will significantly increase public transparency once finally passed.

Despite this progress, the low figures for public awareness (52%) and participation (4%) in our survey indicate that there are still major weaknesses which need to be addressed in this sector. While the NGOs in Bulgaria are increasingly vibrant, we believe that a longer time frame is needed to achieve the goals of this objective and reach the target level of the sustainability index.

Performance and Prospects:

This year's major accomplishment was the creation of a support infrastructure for grassroots NGOs in Bulgaria. USAID, through its Democracy Network Program (DemNet), has moved forward on the sustainability curve by developing the capacity of ten existing NGOs to act as Intermediary Support Organizations (ISOs) to smaller NGOs. The ISOs will assist NGOs working in democracy, economic strengthening, social safety net, and environment throughout Bulgaria and are intended to become major funding magnets for the sector after the end of USAID assistance. These ISOs will provide grassroots NGOs with technical assistance, training, networking services and funding. Because the ISOs are currently at different stages of development, DemNet will continue to work with them to increase their organizational capacity throughout the year. This will gradually lead to improvements in service provision and infrastructure, as well as better organizational capacity of Bulgarian NGOs.

Another important success in 1999 was the creation of a single, progressive NGO draft law. Current NGO legislation, dating back to 1949, falls far short of current needs, is ambiguous, and contains restrictive provisions regarding the registration process and engagement in economic activities. The enactment of a new law conforming to emerging international standards will contribute significantly to the improvement of the legal environment for NGO activities. This year, USAID-sponsored training of seven MPs and experts from the working group on NGO legislation resulted in a single NGO draft law from a host of drafts introduced earlier. The

unified draft is to be presented to the Parliament for a second reading in May 2000. It provides a strong basis for future tax amendments which will assist NGOs in raising resources. It is expected that changes in the tax legislation will be drafted by the end of 2000.

Broadcast media took a leap forward in 1999 with the establishment of the first TV Training Center in Bulgaria which will train emerging independent television professionals. The center has already trained a cadre of qualified Bulgarian trainers and is continuing its work by providing ongoing training in videojournalism, news production and television management. We are also assisting the Bulgarian Media Coalition to initiate amendments to the Media law and to lead the public debate on the Access to Information Act, the first of the FOIA (Freedom of Information) legislation package, which passed the first reading in Parliament in September 1999. Although the newly adopted media regulatory system represents a step in the right direction, further improvements in the media regulatory framework and the passage of FOIA legislation in line with EU membership criteria and internationally accepted standards are needed. In order to improve the level of professionalism of the newly licensed TV media, the ProMedia training program will require extensive efforts in the next few years.

USAID is investing heavily in the second year of Coalition 2000's successful anti-corruption initiative. The program's emphasis on public awareness has brought anti-corruption squarely into the media spotlight. "Zero Tolerance for Corruption" is now high on the government's agenda due to both decreased public tolerance for corruption and upcoming negotiations for EU accession. The government itself initiated direct work with Coalition 2000 which clearly demonstrates its desire to be associated with the anti-corruption efforts. The government had a major cabinet reshuffling late last year which has been widely attributed to its desire to clean up corruption at the highest political levels. Some of the most acclaimed achievements over the past year include a Draft Law on the Establishment of an Ombudsman and the clearly increasing public intolerance of corruption which is reported in Coalition 2000's Corruption Monitoring Indexes.

Coalition 2000's international success is widely recognized and has spawned a regional activity, Southeast European Legal Development Initiative (SELDI), which has been adopted as one of the activities on the Stability Pact agenda. While the Coalition 2000 program is scheduled to finish at the end of this calendar year, USAID plans a follow-on to this effort which will evolve to work further at both the central and local government levels. In addition, based on demand, USAID/Bulgaria envisions selected technical assistance to the central government to support their internal anti-corruption initiatives springing from the anti-corruption working group.

USAID/Bulgaria has successfully launched a parliamentary support program in response to the needs expressed by the Bulgarian Parliament for legislative technical support, increasing the in-house capacity of the Parliament, and facilitating greater involvement of civil society in the legislative process. Interns have been selected to work with parliamentary commissions and the newly-established information center.

Possible Adjustments to Plans:

Despite the numerous successes under this SO in 1999, the Sustainability Index proves that there are still major challenges to the sustainability of the NGO sector in Bulgaria. The government,

business leaders and the public at large have a poor understanding of the value of NGOs. NGOs are dependent on foreign funding and have found it difficult to mobilize local resources because of inadequate tax incentives and very limited corporate and individual willingness or ability to contribute. A long-term goal of USAID is to promote corporate and community giving and to introduce models of community philanthropy and strategic partnership to promote NGO sustainability. This is beyond the scope of the DemNet program, which is targeted at a limited pool of organizations. Therefore, USAID is initiating a new program to build awareness and support for sustainable partnerships among NGOs, business and the government. The program will fund common NGO, business and local government projects and support joint solutions to address community problems. As NGOs, businesses and government continue to work together, USAID will assist in the establishment of community funds to promote sustainable development.

The USAID supported anti-corruption program has achieved stellar results and will be replicated regionally in the framework of the Stability Pact. The impact of this program has been a compelling argument to develop it further and consider expanding it to include new activities in 2001 and 2002 -- in particular working directly with government.

Integration of minorities is key for integration of Bulgaria into European structures. USAID will work to improve the situation of minorities in key municipalities by providing training, small grants and technical assistance, and other support through a conflict resolution and ethnic integration program. The program is starting as a pilot under the Mission's Danube River Initiative to address unemployment, loss of income, business failures, and social instability attributable to the conflict in Kosovo. Later stages of the program will be funded under this SO. The main goal of the proposed program is to assist Roma to improve their economic, social, and educational opportunities in Bulgaria, as well as to advance relations between minorities and ethnic Bulgarians.

Other Donor Programs:

USAID played a leading role this year in donor coordination. The variety of players in the country and the diversified nature of the NGO sector led USAID and other donors to conclude that closer coordination and information sharing was needed, so USAID established an informal donors' forum. In addition, USAID helped pull the donor community together by conducting a thorough assessment of civil society in Bulgaria to ensure the future responsiveness of DemNet and other donors' programs to the unique Bulgarian environment. In the area of anti-corruption activities, the USAID small grants program is successfully being complemented by other donors. The Dutch Embassy has also committed to providing additional support to the Coalition 2000 network.

Major Contractors and Grantees:

USAID implements its activities under this SO through U.S. NGOs including the Institute for Sustainable Communities, Freedom House, the International Center for Not-For-Profit Law, International Research and Exchanges Board, and the International Development Law Institute. Major Bulgarian partners include the Bulgarian Parliament and the Bulgarian local governments.

Performance Data Table

Objective Name: Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making			
Objective ID: 183-021-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 2.1.1. Strengthened Capacity of Non-Governmental Organizations			
Indicator: NGO Sustainability Index			
Unit of Measure: Scale	Year	Planned	Actual
Source: ENI/DGSR's NGO Sustainability Index	1997	NA	Stage 2(4,0)
Indicator/Description: Seven aspects of sustainability (legal environment, organizational, financial viability, advocacy,service provision, infrastructure, public image) are analyzed. The index uses a seven point scale, with seven indicating a very low level of development and one indicating a very advanced NGO sector. Three stages (stage one being the lowest) classify the maturity of CEE countries CSO sectors. Stage one(5 to 7), Stage two (5 to 3), stage three (3 to 1).	1998	NA	Stage 2(3,6)
	1999	Stage 2(3,4)	Stage 2 (4,0)
	2000	Stage 2(3,8)	
	2001	Stage 2(3,6)	
	2002	Stage 2 (3,4)	
Comments: The NGO Sustainability Index has been measured since 1997. However, in 1999, the methodology was changed, and 2 new dimensions were added(service provision and infrastructure), which contributed to a drop in the Bulgaria's rating to 4.0. Targets were adjusted accordingly			

Performance Data Table

Objective Name: Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making			
Objective ID: 183-021-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 2.1.2.1 Electronic Media Legal/Regulatory Framework Improved			
Indicator: Enactment and Implementation of Electronic Media and Telecommunications Legislation that Conform to International Standards			
Unit of Measure: Yes/No	Year	Planned	Actual
Source: Grantee's reports	1997	ML, TL Drafted	ML, TL Drafted
Indicator/Description: Media Law (ML), Telecommunications Law(TL) FOIA(F)	1998	ML, TL Adopted	ML, TL Adopted
	1999	ML, TL Amended/ Monitored F Drafted	ML Amended/M L Monitored/F drafted
Comments: Although both the Media and the Telecommunications Laws were adopted, amendments are needed to ensure compliance with international standards. The Promedia program will continue to work towards the necessary amendments and has started a monitoring project on the implementation of the laws. Promedia will also work towards passage of Freedom of Information Laws, with the Access to Information Law being the first and the most important of the package.	2000	ML, TL Amended/ Monitored F passed	NA
	2001	Monitored	NA
	2002	Monitored	

Performance Data Table

Objective Name: Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making			
Objective ID: 183-021-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: S.O. 2.1 Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making			
Indicator: Percent of Population Who are Aware of Any NGO's Role in the Public Policy Matter			
Unit of Measure: Percentage	Year	Planned	Actual
Source: USAID survey	1997	NA	NA
Indicator/Description: NGO role defined as sponsorship, support/opposition or issue awareness campaign.	1998	NA	52%
	1999	52%	52%
	2000	54%	NA
Comments: As change in public awareness is a long-term effort, targets were developed on the basis of an assumption of slow growth. In 2000 the USAID program will start addressing this issue as a priority through a new program.	2001	56%	NA
	2002	58%	

Performance Data Table

Objective Name: Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making			
Objective ID: 183-021-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 2.1.1.1. Enabling Legal and Regulatory Environment for Civil Society Organizations in Place			
Indicator: Legal and Regulatory Changes that Empower NGOs in Public Affairs			
Unit of Measure: NGO law(NL), Tax legislation changes(TL)	Year	Planned	Actual
	1997	NL Passed	NL Drafted
Source: Parliament's legal agenda	1998	NL Passed	NL Introduced in Parliament
Indicator/Description: Includes legislation on law governing NGO status, legislation that addresses tax issues, legal framework for NGO-local government partnerships.	1999	NL Passed	NL Passed 1st reading
	2000	NL Passed	NA
Comments: The NGO law (NL) passed the first reading and currently awaits adoption at the second reading. The passage of the NGO law is one of USAID's primary objectives, as it will not only clear the ambiguities and remove the restrictive provisions for NGO activity, but will also provide the basis for future amendments on tax legislation to help NGOs attract financial resources. Work on tax legislation(TL) will commence upon NGO law passage.	2001	NL Passed/TL drafted	NA
	2002	NL Passed/TL passed	

Text for SO d

Country/Organization: USAID Bulgaria

Objective ID: 183-022-01

Objective Name: An Improved Judicial System That Better Supports Democratic Processes and Market Reforms

Self Assessment: On Track

Self Assessment Narrative: The pace of implementation is exceeding expectations and we are confident that we will produce significant results over the next year.

Primary Link to Strategic Agency Framework: 2.1 Rule of Law/Human Rights
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input checked="" type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Democracy and Human Rights

Secondary Link to MPP Goals (optional): Regional Stability

Summary of the SO:

Rule of law is critical to USAID/Bulgaria's entire strategic framework, as effective democratic processes and market reforms are contingent upon improvements in the Bulgarian judicial

system. A key element of the EU accession criteria, Rule of Law can only be implemented by a professional judiciary, the development of which is a primary objective of this program. To assist the GOB with its own judicial reform goals, USAID is implementing a comprehensive Rule of Law program including judicial training and court administration. The direct beneficiaries of this program are the Bulgarian judges, through their own increased capacity and a better functioning judicial system. However, this program also clearly benefits society at large, forming the basis for a strong civil society to a well-functioning private sector. USAID/Bulgaria anticipates that once an institutional framework for continuing judicial education and career development of judges has been developed--through USAID's support--other donors will provide funding for the continuing effort.

Key Results:

The implementation of this SO is exceeding expectations at this early stage with the key achievement being the creation and successful operation of the first and only judicial training institution in Bulgaria: the Magistrate Training Center (MTC). USAID has devoted resources and technical assistance in bringing to life this strong and viable judicial training institution, a cornerstone for providing judicial training in Bulgaria. In less than one year, the USAID-supported Center has trained 500 judges through a series of courses on new commercial, criminal and civil laws. This effort was substantially augmented late last year when USAID's ROL implementor began working directly with the MTC to strengthening its capacity to delivery first-rate training. Twelve chief judges and lower court judges are now trained to be the substantive trainers in the program. The program has achieved impressive national coverage and is the basis for building a professionally trained in-house faculty for the MTC.

The initiation of a related program to improve court administration is also the first attempt of its kind in Bulgaria. A thorough canvassing of the country's lower-level courts is already setting the stage for the development of model pilot courts and a national court administration office. Seminars have been initiated to implement more effective administration in Bulgarian courts.

Performance and Prospects:

The program has gotten off to an impressively quick start. Now that an implementor is on the ground, the activity has moved fully ahead with Bulgarian counterparts to begin concrete implementation of the program: training has been initiated and the selection of one of three model pilot courts has been made.

USAID has taken the lead role on judicial reform. In 2000, USAID will focus on the development of the MTC as an efficient and self-sustainable institute and as the major provider of judicial training in Bulgaria. The goal is to increase knowledge and skills, and affect the behavior of judicial actors through training. Programs will be designed that are tailored to the specific needs of the MTC's target groups such as judicial candidates, new judges, experienced judges, specialized judges and administrative personnel. In addition, through direct and indirect support, USAID will provide continued assistance with management, operations, strategy and planning to the MTC to promote its long-term sustainability.

USAID will also implement a pilot court administration program with the Ministry of Justice, the Supreme Judicial Council, the MTC and the judiciary. Currently the courts lack uniform

operating systems and procedures, resulting in a structure replete with inefficiencies and disorganization. This element has two stages: first, the program will work with a few model pilot courts in various regions to modernize and automate their procedures. This will shift the administrative burden from judges to trained staff, freeing the judges to carry out their judicial duties. Following this, it is expected that the model courts will be replicated to create a fully integrated national court administration system. The model pilot courts will develop uniform procedures so that they can be “rolled out” nationally once the political will is present and necessary conditions are in place to do so. The program is providing technical assistance in identifying and promoting legislative and administrative reforms necessary to achieve this result. The creation of a national court administration system is a long-term goal targeted for completion within the lifetime of the project.

Possible Adjustments to Plans:

The Mission views strengthening the judicial system as one of the key objectives of the USAID program, due to its effect on democratic and economic institutions. The importance of this program has been widely recognized by international donors and local counterparts (including the Ministry of Justice) and is a centerpiece of the U.S.-Bulgaria bilateral workplan. USAID views this as a multi-year program which is likely to extend beyond 2002 in order to effectively establish the Magistrate Training Center and impact all branches of the judiciary.

Judicial reform is also of critical importance for Bulgaria’s EU accession. USAID’s SO 2.2 lays the foundation for reform of the judicial system. However, prosecution and investigation are also branches of this system and may be added next year. The significance and complexity of the overall task of reforming the judicial system is likely to require sustained engagement by USAID and other donors for several years to come.

Other Donor Programs:

USAID has been at the forefront of activities and donor interest in this area. The leading role of USAID has been recognized by all international and bilateral donors and we have maintained close cooperation with interested stakeholders in developing a strategic approach to donor assistance in the area of judicial reform.

The Open Society Institute’s legislative program--the Constitutional and Legislative Policy Institute (COLPI), based in Budapest, Hungary--has provided assistance to the Magistrate Training Center with financial support for its first training courses, while USAID extended a core-support grant for the establishment and operation of the MTC. Both the EU and the World Bank have listed judicial reform as a high priority in their public administration reform agenda for year 2000 and 2001. Recognizing USAID's leading role, the program developed by the EU has been structured to complement the USAID program and represents a comparatively modest addition. In addition, the World Bank is considering a loan to the Bulgarian Government for court automation based on the successes of the USAID pilot program.

Major Contractors and Grantees:

USAID is implementing its Judicial Program through a Cooperative Agreement with the East-West Management Institute. USAID is also providing direct support to the Magistrate Training Center, which is the key Bulgarian counterpart for the program.

Performance Data Table

Objective Name: An Improved Judiciary that Better Supports Democratic Processes and Market Reforms			
Objective ID: 183-022-01			
Approved: 09/1999		Country/Organization: USAID/Bulgaria	
Result Name: IR 2.2.1.1. Judicial Training Institution Established			
Indicator: Strengthened Capacity of the Magistrate Training Center			
Unit of Measure: Yes/No	Year	Planned	Actual
Source: USAID implementors	1998	Yes	No
Indicator/Description: A comprehensive institutional assessment of the Magistrate Training Center, its management, staff and training needs and capacities.	1999	Yes	No
	2000	Yes	Yes
	2001	Yes	N/A
	2002	Yes	N/A
Comments: The Magistrate Training Center is the single tool for providing judicial training in Bulgaria and its capacity is crucial for the implementation of the program on a SO level.			

Performance Data Table

Objective Name: An Improved Judicial System that Better Supports Democratic Processes and Market Reforms			
Objective ID: 183-022-01			
Approved: 09/1999		Country/Organization: USAID/Bulgaria	
Result Name: IR 2.2.1.2. Judicial Qualifications Enhanced through Continuing Legal Education			
Indicator: Number of judges trained			
Unit of Measure: Percentage	Year	Planned	Actual
Source: USAID and implementor	1999	N/A	5%
Indicator/Description: Number of judges trained as a percentage from the total number of judges.	2000	30%	30%
	2001	50%	N/A
	2002	90%	N/A
Comments: The program has just begun its operation on the ground. The baseline data is being collected and indicators will be finalized.			

Performance Data Table

Objective Name: An Improved Judicial System that Better Supports Democratic Processes and Market Reforms			
Objective ID: 183-022-01			
Approved: 1999		Country/Organization: USAID/Bulgaria	
Result Name: IR 2.2.1.1. Judicial Training Institution Established			
Indicator: Number of Judges Trained as Trainers			
Unit of Measure: Percentage	Year	Planned	Actual
Source: USAID partners	1999	N/A	N/A
Indicator/Description: Number of judges trained as trainers, necessary for the needs of the Magistrate Training Center.	2000	2%	2%
	2001	4%	N/A
	2002	5%	N/A
Comments: The optimal percentage of judges trained as trainers, that would meet the needs the MTC is 5% of the total number of judges in Bulgaria.			

Text for SO e

Country/Organization: USAID Bulgaria

Objective ID: 183-023-01

Objective Name: Local Governments are Making Responsive Choices and Acting on Them Effectively and Accountably.

Self Assessment: Exceeding Expectations

Self Assessment Narrative: The program under SO 2.3 is performing very well, addressing mid-term goals of organizational development and participatory economic development planning and pilot experiences as well as longer-term goals of public policy reform necessary for decentralized, effective local governance.

Primary Link to Strategic Agency Framework: 2.4 Accountable Gov't Institutions
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|---|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input checked="" type="checkbox"/> 2.3 Politically Active Civil Society |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Democracy and Human Rights

Secondary Link to MPP Goals (optional): Economic Development

Summary of the SO:

This SO builds the local government keystone through a favorable legal framework; necessary financial tools, resources and practices; competent, participatory administration; and support from intermediate support organizations (ISOs). These are critical components in carrying out the country strategy of strengthening local government and democracy, and stimulating regional economic growth. The direct beneficiaries are local and national level government officials and staff, members of Parliament, the staff and boards of indigenous ISOs, private sector representatives, and citizens.

Key Results:

The program is performing extremely well, despite the mixed progress within Bulgaria on decentralization and democratization (reflected in the indicators). The pullback on decentralization was just one symptom of a highly-charged political climate, the result of a contentious election for mayors and municipal councilors in 1999. The indicator for the SO, an Index of Citizen Ranking of Local Government Responsiveness, Effectiveness and Accountability for 1999, showed that our target municipalities continue to outperform the control group, a differential that is increasing over time. However, in comparison with 1998, citizens gave a lower ranking to all factors but “accountability.” The indicator on the legal framework shows that in most instances where formal input on legislation was provided by local authorities or associations, the input was accepted. This is a very good record given the election year culture. While none of these legislative acts significantly strengthened local fiscal authority, they are a good indication of the program's access to policy makers and quality of technical assistance. The positive indicator on fiscal authority implies an increase in authority and thus greater decentralization – which in fact had happened in 1998. But the 1999 figure reflects the dismal financial situation of local governments, not real decentralization: the increased share of local budgets from local sources came from sales of assets to cover budget deficits. This is a weakness in the indicator and we intend to evaluate it for possible revision next year.

Performance and Prospects:

The October 1999 municipal elections affected all elements of the USAID program as electoral campaigns overshadowed the reform agenda. A pre-election promise by the Prime Minister to revise the Constitution in 2001 to grant local authority over taxes and fees was hailed, but has not been mentioned since the election, which saw an increase in the ruling party's majority in the municipalities but did not bring the victory they desired. With more than 90% of the municipalities led by the opposition party prior to the elections, progress on decentralization ground to a halt in 1999 as the central government accused municipalities of fiscal mismanagement and fraud. The central government has since made it more difficult for municipalities to finance spending by reducing borrowing power and withholding information on budget subsidies.

On the positive side, the elections were free and fair, and brought new parties and coalitions into local government. The newly-elected National Association of Municipalities (NAMRB)'s Board reflects that diversity and its performance so far is extremely impressive: non-partisan, professional, and well organized. The new composition greatly enhances the Association's ability to influence Parliament and the Ministries. Among other plans for 1999, NAMRB, with ongoing technical support from USAID's Local Government Initiative (LGI), will propose an amendment to the Local Taxes and Fees Act to permit municipalities to set some local budget

priorities. LGI has provided the technical background on this and other issues, earning the respect and appreciation of the Ministry of Finance technical staff. As a result, the problems with municipal budgets have received sympathetic media coverage, potentially generating grassroots support for local governments.

The groundwork laid by this kind of collaboration and support has been a very successful approach. For example, the across-the-board drop in “citizen satisfaction” recorded by the Index of Citizen Ranking shows that the political environment and budget constraints in which municipalities operated in 1999 was reflected by the decrease in the overall indicator’s values. And this decrease was also influenced by negative changes in people’s income and social status. But at the same time, citizen satisfaction with municipal practices in our program’s target cities is significantly higher. This is undoubtedly the result of NAMRB’s advocacy; intensive USAID programs combining LGI’s training in modern municipal management and greater citizen participation, and information and training on best municipal practices and central government issues disseminated through the Foundation for Local Government Reform (FLGR) and the regional municipal associations.

We expect that the increasing interest by donors, and the European Union accession process, will reinforce the importance of local governance and act as a counterweight to electoral politics in the next year leading up to Parliamentary elections in 2001. In 1999, USAID focused more at the national level despite obstacles related to election year politics, and we continued to build the program in policy reform on top of a strong community base. USAID’s strategy will focus on select laws and regulations; on strengthening relations with the Ministries through technical assistance and collaborative working groups; on building consensus with other donors, particularly the World Bank and the European Bank for Reconstruction and Development (EBRD); and on strengthening the capacity of ISOs to provide services to local government.

Success in policy reform has consisted primarily of tweaking existing legislation, as the legislative agenda was determined almost exclusively by partisan issues. Nonetheless, there were several successful examples, such as the LGI expert testimony on the draft Urban Development Law that resulted in revisions to proposed licensing procedures and a significant reduction in potential for corruption. Upon perceiving the election-year obstacles, our strategy shifted mid-year to concentrate on educating Ministry staff. For example, the Fiscal Decentralization Policy Reform Working Group unites Ministry of Finance staff with local government representatives to analyze state transfers and health insurance options. A computer model was developed which permits analysis of competing transfer scenarios: staff from the Ministry of Finance, NAMRB, and Foundation for Local Government Reform (FLGR) have been trained in its use. The Ministry of Finance has since requested that the model be adapted to monitor and analyze municipal budgets as well.

Extensive USAID support for economic development in the Local Government program included a study and forum on expanding municipal access to credit, which united the key actors from both the “supply” side (insurance funds, pension funds, banks, and other investors) and the “demand” side (represented by the NAMRB). The forum’s recommendation for a draft law which would support municipal debt finance piqued the interest of the Ministry of Finance, also in attendance. Follow-up actions will forge donor cooperation into an advocacy program,

including interest on the part of the World Bank in conditionalities for the next country loan, and a partnership with the European Bank for Reconstruction and Development to facilitate their lending. This activity is closely linked with USAID's banking and capital markets programs.

Other efforts to strengthen municipal economic development conditions included the PLEDGE program, which enabled nine municipalities in the south-central region to develop economic plans and pilot projects through a participatory process--a public-private-citizen body. More than 100 jobs have already been generated and one new business is being created. The program has just expanded to ten municipalities in the northwest.

The local government intermediate support organizations considerably strengthened their institutional capacity throughout the year by increasing membership, diversifying their range of services and promoting cross-border cooperation. NAMRB secured 100 % of all municipalities as members, despite the turnover in municipal leadership – 200 out of 262 municipalities elected new mayors. And regional associations increased their membership base from 91 to 103 municipalities. A series of training programs for newly elected officials attracted 590 participants from 233 municipalities. The Association of Danube River Municipalities is establishing a sustainable partnership with the Romanian local authorities through a "Euro-Region" project (to qualify for EU support) along the Danube, and the Association of Rhodope Municipalities will twin three Bulgarian and Greek municipalities to strengthen economic links. The Union of Bulgarian Black Sea Local Authorities is exchanging best practices in municipal energy efficiency management with Greek local authorities. One additional example of cross-border cooperation is that Blagoevgrad (one of USAID's target cities) has established an alliance with Greek and Macedonian municipalities. The FLGR's Innovative Practices project became a regional data-base model on best municipal practices promoting communication, exchange and cooperation among local authorities: 95 innovations across 16 categories were disseminated.

Possible Adjustments to Plans:

USAID expects that an extensive training and technical assistance program will continue to be necessary in order to support the transition. With the MSI-IPC contract ending next March, an assessment of the LGI will take place this summer to determine what program support is needed and what model would accomplish that support. It is anticipated that the new program will be operational next April. Meanwhile, USAID is looking for an institutional base for the direct grants program: a community organization that can administer a cooperative agreement to continue support of about \$1.3 million per year to NGOs working on local government issues. A new Technical Twinning Program is planned to begin in May, including ten cities and extending this technical assistance reach through continued support for the FLGR's Innovative Practices program also. Additional Urban Institute work (a current contract) and extensive LGI follow up with municipal credit and other decentralization projects will hopefully yield a new municipal credit law. Increased support will be given to the cross-border projects cited above, and corresponding USAID missions will be contacted for potential co-funding.

Other Donor Programs:

USAID is the predominant donor in the local government area and collaboration with other donors has been a hallmark of the program. USAID led a series of post-election seminars for the donor and Embassy community, and the United Nations Development Program (UNDP) has now

convened an informal discussion group on local government with 18 donors and NGOs. This year, USAID and UNDP will jointly produce the first human development report focused at the local level, providing valuable data on economic and political issues, and serving as a springboard for policy discussion. The UNDP implements a World Bank-USAID funded Regional Initiatives Fund for small scale municipal infrastructure projects, and promotes decentralization through a variety of publications. The British Know-How Fund and the governments of Denmark, the Netherlands, Switzerland, France, Spain and Poland, as well as the European Union, provide assistance to associations and municipalities in ways that complement USAID's efforts.

Major Contractors and Grantees:

Local Government Initiative (a joint partnership of Management Systems International, Development Alternatives International, Research Triangle Institute and Urban Institute); ICMA (Technical Twinning Program); Urban Institute (municipal credit study); PLEDGE (a USDoL project); The National Association of the Municipalities in the Republic of Bulgaria; The Foundation for Local Government Reform; The Regional Associations of Municipalities "Danube", "Trakia", "Black Sea", "Rhodope" and "Maritza"; Club "Economika 2000".

Performance Data Table

Objective Name: Local Governments are Making Responsive Choices and Acting on Them Effectively and Accountably			
Objective ID: 183-023-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: S.O. 2.3. Local Governments are Making Responsive Choices and Acting on Them Effectively and Accountably			
Indicator: Index of Citizen Ranking of Local Governments' Responsiveness, Effectiveness and Accountability			
Unit of Measure: 5-step scale (0 to 4 with 4 being max)	Year	Planned	Actual
Source: USAID Survey (baseline data, 1998) Indicator/Description: The overall index of citizen ranking of local governments' performance is disaggregated in the following four sub-indices, which have been planned and reported separately: a) Effectiveness b) Responsiveness c) Accountability d) Citizens knowledge, Information and Participation Comments: The indices, with 4.0 being complete satisfaction, are based on SO 2.3 goal. The survey includes two groups of municipalities: 11 municipalities which have received AID technical assistance and training, or grants for special projects or equipment; and a control group of 16 municipalities which have not received any support from AID. As in 1998, the partner municipalities perform better than the comparison ones in all four indices. The indices for "partner" municipalities alone (presented in the table) show a slight decrease over last year, except for accountability, which increased. The decrease is probably related to the contentious 1999 election, marked by heavy media coverage of central government attacks on municipal officials.	a) 1998	None	1.96
	b) 1998	None	1.74
	c) 1998	None	1.78
	d) 1998	None	1.11
	a) 1999	2.01	1.84
	b) 1999	1.81	1.69
	c) 1999	1.81	1.79
	d) 1999	1.14	1.05
	a) 2000	2.07	
	b) 2000	1.87	
	c) 2000	1.87	
	d) 2000	1.18	
	a) 2001	2.13	
	b) 2001	1.93	
	c) 2001	1.93	
	d) 2001	1.35	
	a) 2002	2.21	
	b) 2002	2.01	
	c) 2002	2.01	
	d) 2002	1.55	

Performance Data Table

Objective Name: Local Governments are Making Responsive Choices and Acting on Them Effectively and Accountably			
Objective ID: 183-023-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 2.3.1: National Legal Framework Provides Local Governments with the Authority to Match the Responsibilities Devolved by the State and Delegated by the Citizens			
Indicator: Policy Positions Local Government Groups Advocate before the Central Government			
Unit of Measure: Formal input by municipal body or association on policy/legislation/regulation is accepted by the legislative or executive body.	Year	Planned	Actual
	1997	NA	NA
	1998	NA	51%
	1999	55%	57%
Source: Associations	2000	60%	NA
Indicator/Description: Using the number of positions and proposals for changes in national legislation and regulations; calculating the percentage of those accepted and/or incorporated into the official documents, compared with the total number which were submitted.	2001	65%	NA
	2002	70%	NA
Comments: This continues to be a strong indicator of the associations' capacity for policy analysis and proposal development. Even though it was an election year, and there were only nine proposals for laws and amendments put forward, nevertheless, more than half were accepted. It also shows that they are cognizant of lobbying and advocacy skills, have appropriate contacts in the Parliament and Executive bodies, and understand the legislative process.			

Performance Data Table

Objective Name: Local Governments are Making Responsive Choices and Acting on Them Effectively and Accountably			
Objective ID: 183-023-01			
Approved: 02/1998		Country/Organization: USAID Bulgaria	
Result Name: IR 2.3.2 The financial Tools, Resources, and Practices of Local Governments to Fulfill Their Responsibilities and Improve the Local Revenue Base Are in Place			
Indicator: Local Government Authority over Annual Municipal Budget			
Unit of Measure: Percent	Year	Planned	Actual
Source: National Statistics	1998	8%	15%
Indicator/Description: The indicator measures the percent of local government authority over annual municipal budget, by identifying own-source revenues as a share of the municipal budgets.	1999	17%	18.5%
	2000	8%	NA
	2001	10%	NA
	2002	12%	NA
Comments: Last year, the 15 % figure was a consequence of a 1997 law granting local discretion over waste disposal fees. There were no similar legislative advances in 1999, and so the increase was expected to be minor. However, non-tax revenues -- lease revenue, charges and penalties, and sales of tangible assets – doubled, going from about \$60 million to \$120 million, thus we see a technical “increase” in municipal share which is extraordinary and non-recurring. The planned levels for 2000 and beyond reflect the changed methodology of the Ministry of Finance for determining tax estimates.			

Text for SO f

Country/Organization: USAID Bulgaria

Objective ID: 183-041-01

Objective Name: Special Initiatives

Self Assessment: On Track

Self Assessment Narrative: Activities funded under Strategic Objective 4.1 complement and support the Mission strategy and U.S. interests in Bulgaria. With the exception of the Bulgaria Crisis Recovery Program (BCRP), the ESF Grant Agreement, and the GEF, USAID/Bulgaria has no direct authority over the implementation or achievement of results of the other five activities.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input checked="" type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input checked="" type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input checked="" type="checkbox"/> 5.5 Natural Resource Management | <input checked="" type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input checked="" type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input checked="" type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input checked="" type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Regional Stability

Secondary Link to MPP Goals (optional): No Secondary Linkage

Summary of the SO:

No Results Framework is prepared for the "special initiatives" Strategic Objective, and thus no over-arching progress assessment is prepared. Each of the eight SO 4.1 activities contributes to promoting national and regional security through unique programs that are not directly addressed by any other Strategic Objective.

Kosovo Emergency Supplemental

1. Bulgaria Crisis Recovery Program (BCRP)

USAID/Bulgaria launched BCRP in late FY 1999 as a quick response to the regional crisis resulting from the Kosovo conflict. Its primary objective is to aid certain Danube river communities that have suffered unemployment, loss of income, business failures, and social instability directly attributable to the Kosovo conflict. In addition to this targeted assistance, some returned Kosovar refugees received vocational training at the American University of Bulgaria (AUBG).

Assistance to the Danube River communities is deployed under the umbrella of the Danube River Initiative (DRI), which aims to strengthen local governments; improve social and economic conditions through economic development planning and technical assistance to enterprises; and, grants for municipalities' citizen participation projects and small-scale infrastructure projects. The DRI encompasses seven different activities. As a result, intensive collaborative planning and coordination of the program's implementation is an ongoing program component.

The implementation of the DRI is underway in all 23 municipalities adjacent to the Danube River. Six of these municipalities have been selected for more focused and integrated assistance and will benefit from the coordinated efforts of all the DRI implementing entities. USAID organized four DRI seminars in the Danube River region to begin implementation, with 160 people from 32 municipalities attending. Results to date include: nearly 100 clients receiving micro-credit loans; the business incubator in Vidin scheduled to open in early spring with ten businesses; concession fee-setting training in six municipalities; small-scale infrastructure grants awarded in nine municipalities; ten local economic development projects under the PLEDGE program; the establishment of Customer Service and Information Centers in four cities on the Danube River (Vidin, Svistov, Russe and Silistra); seven NGOs awarded grants to create multi-sector partnerships within the community; and, an education program developed for displaced workers.

Under the BCRP, five Kosovars have received scholarships and are currently enrolled at the AUBG. This is an opportunity for them to complete their education in a secure, multi-ethnic and multi-cultural environment. In addition, some 50 Kosovars have already benefited from the English language courses, and another 50 are taking computer training. Courses in business administration, public administration, and journalism will be delivered to over 100 Kosovars during Summer, 2000. AUBG is also launching a leadership-training program for 30 young people from the region, which will be implemented in partnership with 20 current AUBG students. Other countries in the region, Bosnia and Serbia have also expressed interest in the program.

2. Economic Support Funds Grant

The \$25 MM Economic Support Program for Bulgaria was announced by President Clinton during his visit to the country in November 1999. The program provides balance-of-payment support to help the country recover from the economic costs associated with the Kosovo conflict. The ESF grant will help free GOB local currency funds to support the Regional Initiatives Fund (RIF) and the Social Safety Fund (SSF), among other activities. The full \$25 million has been disbursed to the GOB, will be used to service outstanding PL 480 corn debt owed to the USG as well as principal and interest payments coming due to the World Bank June and August 2000.

The RIF started as a pilot project under the Ministry of Labor and Social Policy (MOLSP), with initial funding from the UNDP and the World Bank. The RIF addresses the problems of high unemployment and weak infrastructure in Bulgaria's poorest areas by implementing small scale municipal projects. With local currency freed by the ESF grant, the GOB will be able to fund the RIF with \$8 million in local currency. USAID is working closely with the UNDP, World Bank and the MOLSP to create jobs in hard-hit areas in support of the Kostov government's efforts to create employment and ease growing income disparities in Bulgaria. Twenty-nine small infrastructure projects amounting to \$2,400,000 have already been approved for funding, with the USG contributing \$1,800,000.

USAID's ESF support also allows the GOB to provide \$5 million to the SSF. The SSF plays a critical safety net function in helping the poor to meet their energy needs, thus helping to sustain public support for a difficult economic reform process. The fund is targeted at disadvantaged groups, particularly the poorest of the pensioners.

Environmental Partnerships - Nature Conservation (GEF)

This \$4.3 million activity is implemented in conjunction with the United Nation's Global Environmental Facility (GEF). Over the past year, the GEF in Bulgaria has succeeded in moving key pieces of environmental legislation and policy to ratification, notably the Protected Areas Act (PAA), the regulations governing protected area management planning, and the National Biodiversity Action Plan. Under the GEF Project, environmental experts influenced the drafting of all three which, now ratified, will better protect and conserve Bulgaria's parks and protected areas.

USAID-supported experts also provided technical assistance to the Ministry of Environment and Waters (MOEW) and to the Parks Directorates in institutional strengthening, management planning, policy implementation, and the development of collaborative management strategies with local community partners. With this assistance, the Ministry has now established clear authority over interagency functions, and developed a process to implement management plans for the Central Balkans and Rila National Parks (IUCN Category II Parks). Working in close collaboration with all central and local entities involved in the management planning for these two protected areas, GEF advanced a sustainable model of public-private dialogue and engaged key stakeholders in the decision-making process.

Significant progress has been made over the past year in implementing the enabling legislation necessary to protect Bulgarian natural resources. However, the structures necessary to promote sound wildlands management and biodiversity conservation are not yet adequate. The Biodiversity for Economic Growth Project (a follow-on to the existing GEF Project) will assist the MOEW to refine a management planning process for all national protected areas, with an emphasis on improved administration of the two national parks. Alternative revenue generating schemes will be developed, hopefully contributing to local economic growth from eco-tourism and sustainable non-timber and timber harvest. Under this successor project, a management plan for the Category V Rila Monastery Nature Park will also be established.

Bulgarian American Enterprise Fund

The Bulgarian American Enterprise Fund (BAEF) was fully funded in FY 1999 to its congressional earmark of \$55 million. In FY2000, BAEF launched a mortgage lending program with \$2 million from USAID which is extending loans for up to ten years. BAEF also entered into a joint venture with a local pension company. BAEF continues to have potential to play an important role mobilizing equity and debt finance to sectors that are not served by any one of the 32 licensed banks currently operating in Bulgaria.

American University in Bulgaria (AUBG)

AUBG's reputation as a top-notch liberal arts college enables it to attract consistently high-caliber young people who graduate into leadership positions in Bulgaria and the region. In an effort to promote regional cooperation and stability, AUBG launched a new leadership program targeting Kosovars and ethnic Albanians in 1999 (see BCRP narrative above).

Consistent with the Cooperative Agreement of late-FY96, which established an endowment fund of almost \$15 million, AUBG has updated its cost reduction strategy and is working to increase own-source revenues. It was planned that AUBG would be sustainable by the end of the ten-year period without further financial contributions by USAID, however, gross revenues declined in 1999 partially due to the Kosovo crisis which dampened new admissions, but more importantly because of reduced donations from private foundations. Consequently, AUBG withdrew funds from the endowment in excess of original projections in order to support operating expenses. This trend is not sustainable over the long term and ongoing drawdowns of assets could threaten the long-term viability of the institution. The University is actively identifying alternative sources of funding in Bulgaria and SE Europe, as well as in the U.S. and Western Europe.

Labor Force Restructuring

USAID, in conjunction with the U.S. Defense Attache in Sofia and AUBG, conceived a program to provide English language, business and computer training to officers affected by the downsizing of the Bulgarian military. A pilot phase will be rolled out in the summer of 2000,

which if successful, may be expanded subsequently. This activity supports the Government's job creation and employment generation efforts, as well as its efforts to join NATO.

Peace Corps -- Small Projects Assistance (SPA)

Annually, USAID transfers modest funds to the Peace Corps (PC) in Bulgaria for small projects designed/assisted by Peace Corps volunteers in their local communities. Although the projects are small, ranging from \$2,000 to \$5,000, they have significant impact and have assisted in constructing or refurbishing municipal infrastructure; promoting small business development; or contributing to environmental and biodiversity conservation.

Project proposals are prepared jointly by local community institutions and a Peace Corps volunteer. These community-based projects often complement other USAID projects providing increased access and impact. USAID will sustain its commitment to SPA at a modest level, subject to an annual performance review and the availability of funds.

Customs Reform

In conjunction with the U.S. Embassy, a new initiative will be launched in FY 2000 targeting customs administrative reform and strengthening. This effort supports the ongoing and very successful efforts that have been spearheaded under the Southeast European Cooperative Initiative (SECI), which seeks to reduce customs and border-related obstacles to trade. SECI is also supported by the World Bank, which is providing financing for physical and technology infrastructure necessary to upgrade standards and harmonize customs practices with those of the European Union.

Key Results:

Performance and Prospects:

Possible Adjustments to Plans:

Other Donor Programs:

Major Contractors and Grantees:

Text for SO g

Country/Organization: USAID Bulgaria

Objective ID: 183-042-01

Objective Name: Cross-cutting Programs

Self Assessment: On Track

Self Assessment Narrative: Activities funded under Strategic Objective 4.2 are extremely valuable in providing timely resources and tools for the successful implementation of the rest of the programs in the country, notably those associated with training and human capacity development.

Primary Link to Agency Strategic Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Agency Strategic Framework:
(select as many as you require)

- | | |
|--|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input checked="" type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input checked="" type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input checked="" type="checkbox"/> 5.1 Global Climate Change | <input checked="" type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input checked="" type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input checked="" type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input checked="" type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Regional Stability

Secondary Link to MPP Goals (optional): No Secondary Linkage

Summary of the SO:

Activities funded under this Strategic Objective complement all other sector-specific SOs implemented by USAID/Bulgaria, primarily by contributing to the development of human capacity within indigenous entities. This, in turn, reinforces other efforts and contributes to the sustainable achievement of our program objectives. Another dimension of the cross-cutting activities broadly addresses program impact through improved project preparation, evaluation and monitoring.

Key Results:
N/A

Performance and Prospects:

Technical Training for Societies in Transition (TRANSIT) - The Participant Training Program

The Participant Training program is USAID's primary tool employed by all strategic objectives to develop the human capacity and staff expertise of indigenous organizations. These organizations are our key partners in implementing specific activities in Bulgaria. The Mission has established highly competitive procedures that ensure that each training activity clearly and directly supports one or more strategic objectives. The Bulgaria Participant Training Program is a recognized regional leader in reengineering training and best practices and procedures. In recognition of its achievements, Bulgaria now hosts the Regional and Third-Country TRANSIT training center for CEE.

The FY 1999 program contributed to the achievement of all five strategic objectives by providing U.S.-based or third-country training, and by building the professional expertise of numerous public and private sector institutions, notably: the Bulgarian Securities and Stock Exchange Commission; the Central Bank; business associations; intellectual property rights enforcement agencies; the magistrate training center; and media and municipal associations. Over 150 Bulgarians benefited from group or individual programs specifically tailored to their professional needs. In addition, during the past year USAID/Bulgaria provided on-going training to private businesses and professional associations, testing the effectiveness of the group model in the private sector.

The TRANSIT program will remain the key training instrument for the Mission, dedicated to developing a broad base of leaders and professionals with skills and practical knowledge to promote democratic processes, as well as free markets and private sector growth. Looking forward, more regional training opportunities, primarily in the CEE countries, will be provided. This approach will contribute to the establishment of productive regional linkages, especially among the countries of Southeast Europe. USAID/Bulgaria has allocated modest resources to continue support for a regional initiative launched in late 1998 by Hillary Clinton for women leaders in the region. The Business Opportunities for Women (BOW) regional association, which springs from that initiative, will benefit from the TRANSIT program, as well as from its cooperation with the STAR project.

USAID has historically trained business professionals under the Entrepreneurs Management and Enterprise Development (EMED) program. Because of high administrative costs associated with

EMED training, USAID/Bulgaria has discontinued this program and now provides such training directly under TRANSIT.

American Center for International Labor Solidarity (ACILS)

ACILS builds organized labor's capacity to defend workers' rights and lead civil society initiatives focused on building a democracy and economy that adhere to international and EU standards of social partnership. While implementing its core activities (the Labor Education Program (LEP) and the Labor Counseling Centers (LCC)), ACILS introduced new training on changes to the Labor and Social Codes, and government social and health insurance programs. ACILS coordinates efforts with other USAID/Bulgaria programs across the SO spectrum. ACILS is actively involved in the public awareness campaign under the pension reform program and contributes substantively to the broad dissemination of that information. ACILS has prompted ABA-CEELI, the unions, and the ILO to work with social partners to resolve labor disputes through mediation, conciliation, and arbitration (ADR). In partnership with the PLEDGE program, union leaders were trained in mitigating the impact of mass layoffs resulting from a major restructuring of the mining sector. ACILS and the unions work with Coalition 2000, which complements their own anti-corruption activities. ACILS is also a Danube River Initiative implementor in Ruse, where they are advising a clearinghouse for labor education in the Danube communities.

Strengthening union programs is a priority for the next two years. ACILS is building strong linkages between the unions and other indigenous entities involved with the implementation of USAID programs in order to achieve this goal.

Audit, Evaluation and Project Support (AEPS)

With the expansion of USAID/Bulgaria's portfolio due to the additional \$30 million in Kosovo-supplemental programs, AEPS has been critical to the proper management and oversight over the Mission Program. Over half a million dollars was obligated in FY 1999, including funding for all program-related FSNPSC contracts. Currently, 12 of the 25 FSNPSCs are covered by AEPS. This explains the general trend witnessed during the past years of increasing the "administrative" type of AEPS expenditures, which remain an important means for maintaining Mission's operations and oversight in the face of tight OE budgets and decreasing USDH staff.

The program support activities implemented under AEPS last year ranged from traditional surveys of grant applicant's accounting systems and follow-up financial audits to a wide array of studies and assessments of specific projects related to changes in the country environment. In addition, AEPS funding supports USAID/Bulgaria's involvement in the pathbreaking "Partners in Transition" effort, which examined the political implications and lessons learnt during the first ten years of the transition to democracy and a market economy in the CEE. Another major achievement under AEPS was the launching of the second phase of the Early Warning System (EWS) program in close cooperation with the UNDP and the Open Society Foundation. The second phase of the EWS expands its scope to include tracking regional development, and adds case studies to further contribute to the depth of the analysis. AEPS was instrumental in

supporting the design and launching of new and follow-up activities by bringing together American-Bulgarian assessment teams, which were able to share knowledge and expertise, and build local capacity. A specific example was the assessment of the biodiversity program implemented by a joint team of Bulgarian and American experts to design a follow-on activity to the Mission's GEF program. Also among FY 1999 achievements was the innovative internship program initiated with the American University of Bulgaria (AUBG) to develop the professional experience and expertise of AUBG students by coordinating summer internships with USAID partner institutions in Bulgaria. The program's success is demonstrated by the eagerness of the hosting institutions and the students to participate again in FY 2000.

The AEPS program is critical to the Mission's success and provides teams with the necessary flexibility to operate in the region's dynamic environment. The two major thrusts and rationale for sustained AEPS are program support and OE burden-sharing. The strategy update planned for FY 2001 will also require a number of assessments and surveys, which will be funded under AEPS.

Possible Adjustments to Plans:

Other Donor Programs:

Major Contractors and Grantees:

R4 Part III: Resource Request

I. RESOURCE REQUEST BY STRATEGIC OBJECTIVE

The following narrative summarizes the use of funds by SO. Budget spreadsheets are attached in Annex 1.

SO 1.3 Resource Request

Achievements under SO 1.3 were exemplary in FY 1999, with strong performance among target enterprises and associations; a record of success at legislative and policy levels; and strong counterpart relations. The Mission will continue in its leadership role promoting SME competitiveness and growth in Bulgaria. Given the success of pilot competitiveness activities and the strong prospect that competitiveness analysis will guide future USAID/Bulgaria programming, the Mission will expand its efforts in this area in FY 01 and 02. Competitiveness is the essence of the Copenhagen Criteria for EU Accession, and thus this effort will emphasize the development and strengthening of regional trade linkages through intensified focus on legislative and policy reforms. Legal, regulatory, and policy initiatives will be sustained under ABA/CEELI and IPC's successor program. Total funding requested for these two implementors increases modestly to \$1.7 MM and \$1.75 MM in FY 01 and 02 respectively. In addition to policy level efforts, the FLAG consortium will continue to support SMEs directly and through associations. As the Mission program evolves, the number of FLAG member organizations will continue to decline, and funding will decrease to \$2.25 MM in FY 01 and \$1.55 MM in FY02. Recognizing the important role that microenterprises play in creating employment, USAID/Bulgaria will finance initiatives that target vulnerable populations in economically depressed areas. Because of the potential importance of this effort, \$2 MM is requested in FY01, and \$2.85 MM in FY02.

The Mission will continue to support the Municipal Energy Efficiency Initiative, comprised of technical assistance in project preparation and finance in conjunction with the Development Credit Authority. This effort contributes to cross-cutting initiatives involving municipal fiscal decentralization, increased access to commercial finance, and global climate change. As such, and because of initial success, proposed funding for FY 01 rises modestly to \$1.0 MM and then declines to \$750,000 in FY 02 as sustainable partnerships are built.

USAID success in the area of energy sector regulation and reform was poor because of uneven GOB commitment, and this precipitated the suspension of all activities in 1998. Opportunities in this sector may emerge after the parliamentary election in 2001. If the government demonstrates substantial commitment to restructuring and reform, USAID/Bulgaria might consider support in FY 01 at a preliminary level of \$250,000, increasing to \$1 MM if merited.

SO 1.4 Resource Request

Progress under SO 1.4 continues to exceed expectations as a result of firm GOB commitment to financial sector reform consistent with EU accession criteria. Based upon USAID's success in this area and the high degree of donor coordination fostered by the Mission's leadership, the

Mission is optimistic that outstanding results will continue. Assuming the current reform agenda remains intact after the 2001 parliamentary election, USAID should accomplish its objectives on schedule.

Bank privatization and on-site supervision will conclude according to plan and no future year funds are requested. With the addition of off-site supervision and the newly-created Deposit Insurance Fund (DIF), USAID requests \$1.5 MM in FY 01 and \$500,000 in FY 02. At this level of funding, the bank regulator will graduate from further assistance by August, 2002. DIF activities will conclude concurrently if pending bankruptcy legislation is ratified in calendar 2000. If not, assistance to the DIF may extend into calendar 2003. After a halting start of commercial banker training, USAID renegotiated its scope of work with the International Banking Institute and its parent, the Association of Commercial Banks. The Commercial Banker Training Activity will launch in 2000, and resources of \$1.0 MM and \$750,000 are requested in FY 01 and 02 respectively.

USAID's capital market initiative is comprised of assistance to key institutions, with strong emphasis on regulation. USAID expects to accomplish its goals in establishing an efficient trading and clearance/settlement platform on time. Promoting market development is proving more difficult, and a significant refocus has been implemented. Consequently, USAID will fully fund the existing contract, requiring \$500,000 in FY 01. Technical assistance will continue supporting the securities regulator (BSEC) and the newly-formed pension/health regulator (SISA). Given the importance of these entities in assuring market integrity, \$1.0 MM and \$550,000 is requested for the BSEC in FY 01 and 02 respectively, in addition to \$150,000 in FY 01 and on supporting a U.S. SEC buy-in.

Due to the success of Bulgaria's private pension project, USAID/Bulgaria added an ambitious public pension reform activity in 1999. Together, the private and public pension reform activities will radically change Bulgaria's social benefits system and will establish a regional model for social sector reform. \$500,000 and \$1.0 MM is requested in FY 01 and 02.

In 1999, the Tax Code consolidated all fiscal collections (income tax, pension, health, etc.) into a single entity under the Government's Tax Directorate (GTD), and the Health Reform Law created a private health care system that will roll-out in 2001. Consequently, USAID launched the Health Sector Finance Activity in 2000. This activity will require \$1.5 MM in FY 01 and \$1.0 MM in FY 02. Because of enabling legislation and personnel changes, a longer-term tax administrative reform initiative will begin in FY 2000. This three-year initiative with the U.S. Treasury Department will require \$1.0 MM in each FY 01 and FY 02.

USAID/Bulgaria enjoys a very strong and productive relationship with the U.S. Treasury Department. Support for a Treasury Debt advisor will be sustained at levels of \$475,000 and \$500,000 in FY 01 and 02 respectively. Based on a request from the Deputy Prime Minister and Minister of Economy, USAID and Treasury are also working to identify and assign a senior macro-economic advisor, for which \$475,000 and \$100,000 is requested in FY01 and 02.

SO 2.1 Resource Request

USAID sees continuing needs beyond 2002 in civil society strengthening and coalition-building, and recognizes that building viable support organizations is a long and challenging process. Therefore, we propose to continue support to the DemNet Program using \$1.0 MM of 2001 funds. This figure is somewhat low because we expect pipeline from 2000. We do plan to allocate \$2.0 MM in 2002 for a new follow-on mechanism to replace DemNet. USAID will also continue its assistance to the legal enabling environment for NGOs at a level of \$120,000 per year for the next three years.

USAID's new program to promote corporate and community contributions, and to introduce models of community philanthropy and strategic partnerships between NGOs and the private sector, will be funded at \$500,000 in both 2001 and 2002. Also, a new conflict prevention and ethnic integration program, currently funded under the Danube River Initiative, will be funded under this SO at \$500,000 in FY2000, FY2001 and FY2002.

The Mission is increasing its support for the anti-corruption program to \$1.25MM in FY01 and \$1.25MM for a follow-on activity in FY02. The success of Coalition 2000 impels us to expand on our success by broadening the local elements of the program and increasing outreach and direct engagement with the central government. USAID sees continued need for media assistance in three strategic directions: improving the regulatory framework and passage of FOIA legislation consistent with EU membership criteria and internationally accepted standards; strengthening the professionalism of broadcast media; and establishing a professionally managed framework of Bulgarian media organizations to advocate for the long-term interests of an independent media. Therefore, the funding levels for this activity are \$400,000 in 2001 and 2002.

SO 2.2. Resource Request

Progress in the Rule of Law is critical to the success of the overall Mission strategy, particularly in the private sector and other democracy Strategic Objectives. The Judicial Strengthening program will evolve around its two current components: judicial training and court administration. The Mission will continue to support this program at \$1.8 MM in FY01 and \$1.7 MM in FY02. The Mission will expand its training efforts to include the rest of the magistrature: prosecutors and investigators.

Direct support to the Magistrates Training Center is considered a priority, and will remain at the \$300,000 level in FY01. In recognition of the need to strengthen the overall judicial system in Bulgaria, training of prosecutors has become an important element in achieving this goal. Building on the increased capacity of the Magistrate's Training Center, USAID will raise funding to \$400,000 in FY02 to include prosecutors' and investigators' training.

SO 2.3. Resource Request

Strengthening local government remains a pillar of the country program, and this year was marked by a number of collaborative efforts across SOs and among partners. Successful

implementation requires significant funding over the next two-three years. The key implementing instrument under SO 2.3 during the next two fiscal years will continue to be the Local Government Initiative. The present contract will terminate in March, 2001. An assessment of needs, capacity and mechanisms will be undertaken in 2000 in order to assure that the next instrument is in place by next April. Complementing the US know-how provided through LGI, capacity-building to strengthen a wide spectrum of local intermediate support organizations (ISOs) will be a priority. However, USAID will shift the competitive ISO grants program to a local organization, with a level of funding through FY 2002 at \$ 1,3MM.

Economic development is a theme running through several programs under SO 2.3, most notably PLEDGE. PLEDGE is also a strong tool for citizen participation, and funding for each of the next two years will be \$600,000. The Technical Twinning Program has brought positive changes in municipal management and economic development, and the relationships established between US and Bulgarian cities are viewed as permanent. The Mission is currently bidding a contract to expand the twinning effort over the next three years, requiring \$500,000 annually.

SO 4.1 Resource Request

As a follow-on to the achievements of the GEF project, and in order to strengthen the capacity of the newly-established biodiversity conservation institutions, USAID is launching a new Biodiversity Conservation and Economic Growth program in FY 2000. The new contract will require \$1 MM a year in FY01 and 02.

A pilot Labor Force Restructuring program providing vocational training to officers affected by the downsizing of the Bulgarian army will be initiated in the summer of 2000. If successful, the initiative may be expanded with subsequent phases. The total level of funding for this effort is \$500,000, divided equally between FY 00 and 01.

USAID has allocated \$850,000 as a transfer to the State Department for a new customs initiative to be launched in FY 2000. This is an one-time effort and no subsequent funding is envisioned at this time.

SO 4.2 Resource Request

USAID/Bulgaria continues to invest in developing Bulgarian leaders for the new millennium, and has allocated substantial resources for its major training instrument - the TRANSIT program. The requested level of funding for FY 01 and 02 is \$2.1 MM in each year.

Recognizing the important role of the ACILS program in Bulgaria as a crosscutting and collaborative effort, the Mission has allocated \$400,000 for this activity in FY 01 and 02.

Given the importance of AEPS for the Mission, funding for this program will continue at \$700,000 from FY 2000 to FY 2002.

II. OPERATING EXPENSES NARRATIVE

USAID/Bulgaria has played a central catalytic role in supporting reforms that strengthen democratic institutions, political pluralism and free markets. In response to the recent Kosovo conflict, USAID is implementing a \$5 million Bulgaria Crisis Recovery Program and \$25 million Economic Support Funds program. The increase in program activities and the new priorities requires additional resources to ensure proper management and oversight. As a result, the Mission is recruiting an OE-funded Program Office and Special Initiatives coordinator. Given the importance of the EXO in financial and human resources management, the Mission will hire a full time EXO USPSC. After careful review of OE needs and planning, USAID/Bulgaria meets target levels as set by the Bureau of \$1.2 MM for FY 00, and \$1.3 MM in each FY 2001 and FY 2002.

The following key factors have been considered:

FY 2000

1. Funding for special personal services payments – USPSC salaries and benefits for EXO and Special Initiatives Coordinator USPSCs, and FSN PSC.
2. Transfer to AID/W of the family of John Grant, the late USAID Mission Director, and transfer to AID/W of the Private Sector Officer (USDH position).
3. Post Assignment travel will be funded for three employees.
4. Increase in staffing levels necessitates increased office space, office rent, residential rent and utilities, and purchase of additional office and residential furniture and equipment.

FY 2001

1. Replacements of the Chief Enterprise Officer and possible replacement of USPSCs have been planned in the OE Budget, including transfer to AID/W and Post assignment travel.
2. Replacement of residential furniture has been included in the budget formulation process.
3. Funds have been budgeted for upgrading and purchase of computer equipment.
4. Increased Headquarters travel costs are for assessment visits for the strategy update.

FY 2002

1. No changes in the staffing level. Possible replacement of the two USPSC positions due to end of contracts, and possible replacement of the Democracy Officer due to end of tour.
2. Replacement of one official vehicle.
3. Purchase of some residential furniture and equipment.

Accessing Global Bureau Services Through Field Support and Buy-Ins

Objective Name	Field Support and Buy-Ins: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)			
				FY 2001		FY 2002	
				Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau
SO 1.3 Accelerated Development and Growth of Private enterprise	SEGIR/GBTI - PCE-I-801-98-00012-00, Policy Reform/Advocacy	High	June 2000- June 2003	1,000		1,250	
SO 1.3 Accelerated Development and Growth of Private enterprise	Municipal En.Efficiency - HARZA, LAG-I-0098-0002-00	Medium	6/25/99 - 6/24/2001	250			
SO 1.3 Accelerated Development and Growth of Private enterprise	Energy - Dev. Credit Authority, DCA-G-00-00-0001-00	High	Nov.1999 - Nov. 2001	500		500	
SO1.4 More Competitive and market-responsive Private Financial Sector	G/EGAD - SEGIR/Financial : Bank Supervision,incl. Deposit Insurance Fund, Barents PCE-I-801-98-00012-00	High	March 1999 - February 2001	1,500			
SO1.4 More Competitive and Market-responsive Private Financial Sector	G/EGAD - SEGIR/Financial : Commercial banker Training, Barents PCE-I-801-99-00060-00	High	April 2000 - April 2003	1,000		750	
SO1.4 More Competitive and Market-responsive Private Financial Sector	SEGIR/Capital Markets, Carana, PCE-I-00-97-00014, DO 804	High	Sept 1999- June 2001	891			
SO1.4 More Competitive and market-responsive Private Financial Sector	SEGIR/Cap.Markets regulations, FMI, PCE-I-801-00010-000	High	May 2000- May 2002	1,000		550	
SO1.4 More Competitive and Market-responsive Private Financial Sector	SEGIR/Public Pens.Funds, Carana PCE-I-00-97-00014, DO 809	High	June 1999 - June 2001	1,000		1,000	
SO1.4 More Competitive and Market-responsive Private Financial Sector	SEGIR/Financial - Health Care Mngt - bids under review/selection	High	Planned: June 2000- June 2002	1,000		1,000	
SO 2.1 Increased, Better-Informed Citizens' Participation in Public Policy Decision Making	G/DG, IDLI, AEP-G-00-97-00031-00, Anti-Corruption - Mechanism TBD	High	July 1998 - January 2001		1,250		1,250
SO2.3 Local Gov-ts are making responsive Choices & Acting on them Effectively & Accountably	Local Government Initiative, MSI, AEP-5470-I-802-5034-00	High	September 1998- February 2001	500		0	
SO2.3 Local Gov-ts are making responsive Choices & Acting on them Effectively & Accountably	LGI Twinning - * Bidding of Continuation program in process	High	through 2003	400		500	
SO 4.1 Special Initiatives	G/PDSP, Peace Corps SPA, AAP-P-00-0-00001	Medium	through 2003		100		100
SO 4.2 Cross-cutting Programs	G/DG, World Learning Inc., GTD/Transit AEP-A-00-95-00024-00	High	through 2003	2,100		2,100	
SO 4.2 Cross-cutting Programs	G/DG, ACILS, AEP-G-00-97-00035	Medium	through 2003		400		400
GRAND TOTAL.....				11,141	1,750	7,650	1,750

22,291

* For Priorities use high, medium-high, medium, medium-low, low

Program, Workforce and OE

(in a separate folder named Country02R2b_data; enter data and print separately)

FY 2002 Budget Request by Program/Country

Fiscal Year: 2002 Program/Country: Bulgaria
 Approp: SEED
 Scenario: \$ 32 million

S.O. # , Title															
FY 2002 Request															
	Bilateral/ Field Spt	Total	Agri- culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G	Est. S.O. Expendi- tures	Est. S.O. Pipeline End of FY2002
SO 1.3 Accelerated development and growth of private enterprises in a Competitive Environment															
	Bilateral	6,700	800	7,650				0						6,850	400
	Field Spt	1,750												1,400	250
		8,450	800	7,650	0	0	0	0	0	0	0	0	0	8,250	650
SO 1.4 A More Competitive and Market Responsive Private Financial sector															
	Bilateral	3,450		3,450										3,500	400
	Field Spt	2,300		2,300										2,250	250
		5,750	0	5,750	0	0	0	0	0	0	0	0	0	5,750	650
SO 2.1 Increased, Better Informed Citizens' Participation in Public Policy Decision Making															
	Bilateral	4,200											4,200	4,100	300
	Field Spt	1,250											1,250	1,100	200
		5,450	0	0	0	0	0	0	0	0	0	0	5,450	5,200	500
SO 2.2 An Improved Judiciary that Better Supports Democratic Processes and Market Reforms:															
	Bilateral	2,900											2,900	2,700	700
	Field Spt														
		2,900	0	0	0	0	0	0	0	0	0	0	2,900	2,700	700
SO 2.3 Local Governments are Making Responsive Choices and Acting on them Effectively and Accountably															
	Bilateral	4,650											4,650	4,400	500
	Field Spt	500											500	500	100
		5,150	0	0	0	0	0	0	0	0	0	0	5,150	4,900	600
SO 4.1 Special Initiatives															
	Bilateral	1,000										1,000		1,000	200
	Field Spt	100											100	100	50
		1,100	0	0	0	0	0	0	0	0	0	1,000	100	1,100	250
SO 4.2 Cross-Cutting Programs															
	Bilateral	700		350									350	800	150
	Field Spt	2,500		1,250									1,250	2,400	350
		3,200	0	1,600	0	0	0	0	0	0	0	0	1,600	3,200	500
	Bilateral	0													
	Field Spt	0													
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		23,600	800	11,450	0	0	0	0	0	0	0	1,000	12,100	23,350	2,650
Total Field Support		8,400	0	3,550	0	0	0	0	0	0	0	0	3,100	7,750	1,200
TOTAL PROGRAM		32,000	800	15,000	0	0	0	0	0	0	0	1,000	15,200	31,100	3,850

FY 2002 Request Agency Goal Totals	
Econ Growth	15,800
Democracy	15,200
HCD	0
PHN	0
Environment	1,000
Program ICASS	0
GCC (from all Goals)	0

FY 2002 Account Distribution (DA only)	
Dev. Assist Program	32,000
Dev. Assist ICASS	
Dev. Assist Total:	32,000
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

FY 2001 Budget Request by Program/Country

Fiscal Year: 2001 Program/Country: Bulgaria
 Approp: SEED
 Scenario: \$ 32 million

S.O. # , Title															
FY 2001 Request															
	Bilateral/ Field Spt	Total	Agri- culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G	Est. S.O. Expendi- tures	Est. S.O. Pipeline End of FY2001
SO 1.3 Accelerated Development and Growth of Private Enterprises in a Competitive Environment															
	Bilateral	6,000	1,000	5,000				0						6,800	500
	Field Spt	1,750		1,750										1,500	200
		7,750	1,000	6,750	0	0	0	0	0	0	0	0	0	8,300	700
SO 1.4 A More Competitive and Market Responsive Private Financial sector															
	Bilateral	2,009		2,009										1,900	350
	Field Spt	6,391		6,391										6,100	450
		8,400	0	8,400	0	0	0	0	0	0	0	0	0	8,000	800
SO 2.1 Increased, Better Informed Citizens' Participation in Public Policy Decision Making															
	Bilateral	3,200											3,200	3,400	450
	Field Spt	1,250											1,250	1,200	250
		4,450	0	0	0	0	0	0	0	0	0	0	4,450	4,600	700
SO 2.2 An Improved Judiciary that Better Supports Democratic Processes and Market Reforms:															
	Bilateral	2,300											2,300	2,600	350
	Field Spt														
		2,300	0	0	0	0	0	0	0	0	0	0	2,300	2,600	350
SO 2.3 Local Governments are Making Responsive Choices and Acting on them Effectively and Accountably															
	Bilateral	3,450											3,450	3,700	300
	Field Spt	900											900	800	100
		4,350	0	0	0	0	0	0	0	0	0	0	4,350	4,500	400
SO 4.1 Special Initiatives															
	Bilateral	1,450										1,200	250	1,400	200
	Field Spt	100											100	100	50
		1,550	0	0	0	0	0	0	0	0	0	1,200	350	1,500	250
SO 4.2 Cross-Cutting Programs															
	Bilateral	700		350									350	700	150
	Field Spt	2,500		1,250									1,250	2,200	350
		3,200	0	1,600	0	0	0	0	0	0	0	0	1,600	2,900	500
	Bilateral	0													
	Field Spt	0													
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		19,109	1,000	7,359	0	0	0	0	0	0	0	1,200	9,550	20,500	2,300
Total Field Support		12,891	0	9,391	0	0	0	0	0	0	0	0	3,500	11,900	1,400
TOTAL PROGRAM		32,000	1,000	16,750	0	0	0	0	0	0	0	1,200	13,050	32,400	3,700

FY 2001 Request Agency Goal Totals	
Econ Growth	17,750
Democracy	13,050
HCD	0
PHN	0
Environment	1,200
Program ICASS	0
GCC (from all Goals)	0

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	32,000
Dev. Assist ICASS	
Dev. Assist Total:	32,000
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

FY 2000 Budget Request by Program/Country

Fiscal Year: 2000 Program/Country: Bulgaria
 Approp: SEED
 Scenario: \$ 32 million

S.O. # , Title															
FY 2000 Request															
	Bilateral/ Field Spt	Total	Agri- culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G	Est. S.O. Expendi- tures	Est. S.O. Pipeline End of FY2002
SO 1.3 Accelerated development and growth of private enterprises in a Competitive Environment															
	Bilateral	6,200	1,088	5,112				0						6,350	450
	Field Spt	750		750										800	200
		6,950	1,088	5,862	0	0	0	0	0	0	0	0	0	7,150	650
SO 1.4 A More Competitive and Market Responsive Private Financial sector															
	Bilateral	850		850										900	150
	Field Spt	5,650		5,650										5,900	500
		6,500	0	6,500	0	0	0	0	0	0	0	0	0	6,800	650
SO 2.1 Increased, Better Informed Citizens' Participation in Public Policy Decision Making															
	Bilateral	3,600											3,600	3,800	450
	Field Spt	750											750	650	100
		4,350	0	0	0	0	0	0	0	0	0	0	4,350	4,450	550
SO 2.2 An Improved Judiciary that Better Supports Democratic Processes and Market Reforms:															
	Bilateral	2,300											2,300	2,600	450
	Field Spt														
		2,300	0	0	0	0	0	0	0	0	0	0	2,300	2,600	450
SO 2.3 Local Governments are Making Responsive Choices and Acting on them Effectively and Accountably															
	Bilateral	2,200											2,200	2,350	300
	Field Spt	2,500											2,500	2,600	300
		4,700	0	0	0	0	0	0	0	0	0	0	4,700	4,950	600
SO 4.1 Special Initiatives															
	Bilateral	3,600										500	3,100	3,700	210
	Field Spt	100											100	100	40
		3,700	0	0	0	0	0	0	0	0	0	500	3,200	3,800	250
SO 4.2 Cross-Cutting Programs															
	Bilateral	700		350									350	800	200
	Field Spt	2,800		1,400									1,400	2,700	280
		3,500	0	1,750	0	0	0	0	0	0	0	0	1,750	3,500	480
	Bilateral	0													
	Field Spt	0													
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		19,450	1,088	6,312	0	0	0	0	0	0	0	500	11,550	20,500	2,210
Total Field Support		12,550	0	7,800	0	0	0	0	0	0	0	0	4,750	12,750	1,420
TOTAL PROGRAM		32,000	1,088	14,112	0	0	0	0	0	0	0	500	16,300	33,250	3,630

FY 2000 Request Agency Goal Totals	
Econ Growth	15,200
Democracy	16,300
HCD	0
PHN	0
Environment	500
Program ICASS	0
GCC (from all Goals)	0

FY 2000 Account Distribution (DA only)	
Dev. Assist Program	32,000
Dev. Assist ICASS	
Dev. Assist Total:	32,000
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

Workforce Tables

Org.: USAID/Bulgaria End of year On-Board									Total	Org.	Fin.	Admin.	Con-	All	Total	Total
FY 2000 Estimate	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	SO/SpO	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff
OE Funded: 1/																
U.S. Direct Hire	1	1						2	1						1	3
Other U.S. Citizens				1				1				1			1	2
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN	1	1		2				4	1		8			1	10	14
Subtotal	2	2	0	3	0	0	0	7	2	0	9	0	0	1	12	19
Program Funded 1/																
U.S. Citizens	2	1						3							0	3
FSNs/TCNs	3	4		3				10						1	1	11
Subtotal	5	5	0	3	0	0	0	13	0	0	0	0	0	1	1	14
Total Direct Workforce	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33
TAACS									0						0	0
Fellows									0						0	0
IDIs									0						0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORKFORCE	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33

Workforce Tables

Org.: USAID/Bulgaria End of year On-Board								Total SO/SpO	Org. Mgmt.	Fin. Mgmt.	Admin. Mgmt.	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
FY 2001 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2									
OE Funded: 1/																
U.S. Direct Hire	1	1						2	1						1	3
Other U.S. Citizens	0			1				1			1				1	2
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN	1	1		2				4	1		8			1	10	14
Subtotal	2	2	0	3	0	0	0	7	2	0	9	0	0	1	12	19
Program Funded 1/																
U.S. Citizens	2	1						3							0	3
FSNs/TCNs	3	4		3				10						1	1	11
Subtotal	5	5	0	3	0	0	0	13	0	0	0	0	0	1	1	14
Total Direct Workforce	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORKFORCE	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33

Workforce Tables

Org.: USAID/Bulgaria End of year On-Board								Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt.	Admin. Mgmt.	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
FY 2002 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2									
OE Funded: 1/																
U.S. Direct Hire	1	1						2	1						1	3
Other U.S. Citizens	0			1				1			1				1	2
FSN/TCN Direct Hire								0							0	0
Other FSN/TCN	1	1		2				4	1		8			1	10	14
Subtotal	2	2	0	3	0	0	0	7	2	0	9	0	0	1	12	19
Program Funded 1/																
U.S. Citizens	2	1						3							0	3
FSNs/TCNs	3	4		3				10						1	1	11
Subtotal	5	5	0	3	0	0	0	13	0	0	0	0	0	1	1	14
Total Direct Workforce	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33
TAACS								0							0	0
Fellows								0							0	0
IDIs								0							0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WORKFORCE	7	7	0	6	0	0	0	20	2	0	9	0	0	2	13	33

USDH Staffing Requirements by Backstop, FY 2000 - FY 2003

Mission: USAID/Bulgaria

Functional Backstop (BS)	Number of USDH Employees in Backstop in:			
	FY 2000	FY 2001	FY 2002	FY 2003
Senior Management				
SMG - 01	1	1	1	1
Program Management				
Program Mgt - 02				
Project Dvpm Officer - 94				
Support Management				
EXO - 03				
Controller - 04				
Legal - 85				
Commodity Mgt. - 92				
Contract Mgt. - 93				
Secretary - 05 & 07				
Sector Management				
Agriculture - 10 & 14				
Economics - 11				
Democracy - 12	1	1	1	1
Food for Peace - 15				
Private Enterprise - 21	1	1	1	1
Engineering - 25				
Environment - 40 & 75				
Health/Pop. - 50				
Education - 60				
General Dvpm. - 12*				
RUDO, UE-funded - 40				
Total	3	3	3	3

***GDO - 12**: for the rare case where an officer manages activities in several technical areas, none of which predominate, e.g., the officer manages Democracy, Health, and Environment activities that are about equal. An officer who manages primarily Health activities with some Democracy and Environment activities would be a Health Officer, BS 50.

remaining **IDIs**: list under the Functional Backstop for the work they do.

Please e-mail this worksheet in Excel to: Maribeth Zankowski@HR.PPIM@aidw as well as include it with your R4 submission.

OPERATING EXPENSES

Org. Title: USAID/Bulgaria		Overseas Mission Budgets								
Org. No: _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0
11.5	FNDH			0			0			0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	110		110	250		250	250		250
11.8	FN PSC Salaries	140		140	155		155	170		170
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0
	Subtotal OC 11.8	250	0	250	405	0	405	420	0	420
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	25		25	25		25	25		25
12.1	Cost of Living Allowances			0			0			0
12.1	Home Service Transfer Allowances			0			0			0
12.1	Quarters Allowances	4		4	4		4	4		4
12.1	Other Misc. USDH Benefits	6		6	1		1	1		1
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0
12.1	Other FNDH Benefits			0			0			0
12.1	US PSC Benefits	10		10	20		20	20		20
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0
12.1	Other FN PSC Benefits	4		4	4		4	4		4
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0
	Subtotal OC 12.1	49	0	49	54	0	54	54	0	54

OPERATING EXPENSES

Org. Title: USAID/Bulgaria		Overseas Mission Budgets								
Org. No: _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs	0		0	0		0	0		0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Training Travel	20		20	30		30	30		30
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field	12		12	10		10	15		15
21.0	Assignment to Washington Travel	5		5	5		5	15		15
21.0	Home Leave Travel	7.7		7.7	6		6	6		6
21.0	R & R Travel	10		10	10		10	3		3
21.0	Education Travel			0			0			0
21.0	Evacuation Travel	40		40	2		2	2		2
21.0	Retirement Travel			0			0			0
21.0	Pre-Employment Invitational Travel			0	0		0			0
21.0	Other Mandatory/Statutory Travel			0			0			0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel	20		20	45		45	20		20
21.0	Site Visits - Mission Personnel	3		3	5		5	5		5
21.0	Conferences/Seminars/Meetings/Retreats	35		35	35		35	35		35
21.0	Assessment Travel			0	0		0			0
21.0	Impact Evaluation Travel			0			0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0
21.0	Recruitment Travel			0			0			0
21.0	Other Operational Travel	20		20	23		23	20		20
	Subtotal OC 21.0	172.7	0	172.7	171	0	171	151	0	151
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight	60		60	50		50	60		60
22.0	Home Leave Freight	5		5	5		5	5		5
22.0	Retirement Freight			0			0			0
22.0	Transportation/Freight for Office Furniture/Equip.	5		5	5		5	5		5

OPERATING EXPENSES

Org. Title: USAID/Bulgaria		Overseas Mission Budgets								
Org. No: _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
22.0	Transportation/Freight for Res. Furniture/Equip.	16		16	16		16			0
	Subtotal OC 22.0	86	0	86	76	0	76	70	0	70
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	78		78	81		81	81		81
23.2	Rental Payments to Others - Warehouse Space			0			0			0
23.2	Rental Payments to Others - Residences	90		90	125		125	130		130
	Subtotal OC 23.2	168	0	168	206	0	206	211	0	211
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities			0			0			0
23.3	Residential Utilities	18		18	20		20	22		22
23.3	Telephone Costs	25		25	25		25	25		25
23.3	ADP Software Leases			0			0			0
23.3	ADP Hardware Lease			0			0			0
23.3	Commercial Time Sharing			0			0			0
23.3	Postal Fees (Other than APO Mail)			0			0			0
23.3	Other Mail Service Costs			0			0			0
23.3	Courier Services	1		1	1		1	1		1
	Subtotal OC 23.3	44	0	44	46	0	46	48	0	48
24.0	Printing and Reproduction	0		0	0		0	0		0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0
25.1	Management & Professional Support Services			0			0			0
25.1	Engineering & Technical Services	0.6		0.6	0		0	0		0
	Subtotal OC 25.1	0.6	0	0.6	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	10		10	15		15	15		15
25.2	Residential Security Guard Services			0			0			0
25.2	Official Residential Expenses			0			0			0
25.2	Representation Allowances	1		1	1		1	1		1
25.2	Non-Federal Audits			0			0			0

OPERATING EXPENSES

Org. Title: USAID/Bulgaria		Overseas Mission Budgets								
Org. No: _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Grievances/Investigations			0			0			0
25.2	Insurance and Vehicle Registration Fees	0.2		0.2	0.2		0.2	0.2		0.2
25.2	Vehicle Rental			0			0			0
25.2	Manpower Contracts			0			0			0
25.2	Records Declassification & Other Records Services			0			0			0
25.2	Recruiting activities			0			0			0
25.2	Penalty Interest Payments	0.3		0.3	0.3		0.3	0.3		0.3
25.2	Other Miscellaneous Services	20		20	20		20	20		20
25.2	Staff training contracts	5		5	5		5	5		5
25.2	ADP related contracts			0			0			0
	Subtotal OC 25.2	36.5	0	36.5	41.5	0	41.5	41.5	0	41.5
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	180		180	190		190	200		200
25.3	All Other Services from Other Gov't. accounts			0			0			0
	Subtotal OC 25.3	180	0	180	190	0	190	200	0	200
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	6		6	4		4	4		4
25.4	Residential Building Maintenance			0			0			0
	Subtotal OC 25.4	6	0	6	4	0	4	4	0	4
25.6	Medical Care	19		19			0			0
	Subtotal OC 25.6	19	0	19	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs	0.8		0.8	0.2		0.2	0.2	0.2	0.2
25.7	Storage Services			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance	4		4	4		4	4		4
25.7	Vehicle Repair and Maintenance	2		2	2		2	2	2	2
25.7	Residential Furniture/Equip. Repair and Maintenance			0			0			0
	Subtotal OC 25.7	6.8	0	6.8	6.2	0	6.2	6.2		6.2
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0

OPERATING EXPENSES

Org. Title: USAID/Bulgaria		Overseas Mission Budgets								
Org. No: _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
26.0	Supplies and materials	12		12	12		12	12	0	12
	Subtotal OC 26.0	12	0	12	12	0	12	12	0	12
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	30		30	30		30	30		30
31.0	Purchase of Office Furniture/Equip.	90		90	10		10	10		10
31.0	Purchase of Vehicles			0			0	25		25
31.0	Purchase of Printing/Graphics Equipment			0			0			0
31.0	ADP Hardware purchases	5		5	18		18	10		10
31.0	ADP Software purchases	2		2	2		2	2		2
	Subtotal OC 31.0	127	0	127	60	0	60	77	0	77
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0
32.0	Purchase of fixed equipment for buildings			0			0			0
32.0	Building Renovations/Alterations - Office	30		30	5		5	5		5
32.0	Building Renovations/Alterations - Residential	15		15	5		5	5		5
	Subtotal OC 32.0	45	0	45	10	0	10	10	0	10
42.0	Claims and indemnities			0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		1202.6	0	1202.6	1281.7	0	1281.7	1304.7	0	1304.7

Additional Mandatory Information

Dollars Used for Local Currency Purchases

Exchange Rate Used in Computations

1USD= 2.00BL

1USD= 2.00BL

1USD 2.00BL

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.
On that form, OE funded deposits must equal: 0 0 0

Supplemental Information Annexes

Environmental Impact

Currently, there are three programs for which the environmental determinations were deferred to the following:

SO 1.3 Accelerated Development and Growth of Private Enterprises in a Competitive Environment

Energy Efficiency investments: Determination is deferred for activities in energy efficiency investments (\$1,250,000) where USAID may have the right to approve loans or activities. Such activities will be supported by submitting documentation to USAID that Bulgarian environmental requirements will be met in order that USAID can prepare an IEE or EA before USAID grants approval of such loans.

SO 4.1 Special Initiatives

Bulgaria Crisis Recovery Program: Determination is deferred for those components of activities that are unknown at this time including activities which would involve procurement and support to enterprises having an adverse impact on the environment as a result of their operations; and/or rehabilitation activities for water and wastewater municipal infrastructure, such as potable water and sewerage efforts.

Economic Support Program to the GOB -- Regional Initiatives Fund (RIF): Determination is deferred for rehabilitation of market structures, roads, water supply, bridges, schools, and health care centers, and other areas where USAID may have the right to approve loans or activities. Such activities will require submission of documentation to BEO by USAID Mission. Documentation will show that Bulgarian environmental requirements, and/or environmental requirements of IFIs such as the World Bank, IMF or EBRD, will be met so that USAID can prepare an IEE or EA requesting USAID approval of funds for such activities.

The rest of the activities are in compliance with their corresponding IEEs, CEAs, or EAs.

Updated Framework Annex

UPDATED RESULTS FRAMEWORK

SO 1.3 Accelerated Development and Growth of Private Enterprises in a Competitive Environment

IR 1.3.1 Development of Laws, Policies and Institutions Which Enable Private Sector Growth

IR 1.3.1.1 Development of a Sound Investment Framework in the Energy Sector

IR 1.3.2 Strengthened Private Sector Business Support Associations & Institutions

IR 1.3.2.1 Improved Business Performance of Private Sector Association Members

IR 1.3.3 Transfer of Productive Assets to the Private Sector – NOT within the manageable interests of USAID/Bulgaria

SO 1.4 A More Competitive and Market Responsive Private Financial Sector

IR 1.4.1 A Sound, Regulated and Efficient Banking System Established

IR 1.4.1.1 Increased Private Sector Participation in the Banking Sector

IR 1.4.1.2 Bank Supervision and Enforcement Capacity Strengthened

IR 1.4.1.3 Effective Bank Training Developed and Institutionalized

IR 1.4.2 A Regulated, Transparent, Liquid Securities Market Developed

IR 1.4.2.1 Securities Market Infrastructure (Institutions) Strengthened

IR 1.4.2.2 Institutional and Broad Public Participation in Securities Markets Increased

IR 1.4.3 A Sound, Regulated Private Pension System Established

SO 2.1 Increased, Better-Informed Citizens' Participation in Public Policy Decision-Making

IR 2.1.1 Strengthened Capacity of Non-Governmental Organizations

IR 2.1.1.1 Enabling Legal/Regulatory Environment for Civil Society Organization in Place

IR 2.1.1.2 Advocacy Coalitions for Participation Increased

IR 2.1.1.3 Effective, Sustainable ISOs in Place

IR 2.1.2 Independent Broadcast Media Strengthened

IR 2.1.2.1 Electronic Media Legal/Regulatory Framework Improved

IR 2.1.2.2 Improved Professionalism of Media Outlets

IR 2.1.2.3 Increased Effectiveness of Media Associations

SO 2.2 An Improved Judicial System that Better Supports Democratic Processes and Market Reforms

IR 2.2.1 Improved Professionalism of the Judiciary

IR 2.2.1.1 Judicial Training Institution Established

IR 2.2.1.2 Judicial Qualifications Enhanced through Continuing Legal Education

IR 2.2.1.3 Law Students Skills Improved during Apprenticeship Year

IR 2.2.2 Improved Court Administration

IR 2.2.2.1 Model Pilot Courts Established

IR 2.2.2.2 Court Automation

IR 2.2.2.3 Court Personnel Trained in New Procedures and Responsibilities

SO 2.3 Local Governments Are Making Responsive Choices and Acting on Them Effectively and Accountably

Current Results Framework for SO2.3

IR 2.3.1 National Legal Framework Provides Local Governments with the Authority to Match the Responsibilities Devolved by the State and Delegated by the Citizens

IR 2.3.1.1 Increased Local Government Involvement in National Policy-Making and Legislative Processes

IR 2.3.2 Local Governments are Developing the Financial Tools, Resources, and Practices to Fulfill their Responsibilities and Improve the Local Economic Base

IR 2.3.2.1 National Policies and Practices Support Increased Fiscal Decentralization

IR 2.3.2.2 Local Government Policies and Practices Support Increased Fiscal Capacity

IR 2.3.2.3 Increase in the Reliability, Predictability and Equitability of Intergovernmental Transfers

IR 2.3.2.4 Local Government Policies and Practices Support Local and Regional Economic Development

IR 2.3.3 Local Government Competence Improved through Acquisition of Management Skills, Use of Participatory Practices, Adoption of Modern Operational Systems, and Creation of Partnerships

IR 2.3.3.1 Local Government Officials and Citizens Have Increased Skills, Knowledge and Experience in Local Self-government

IR 2.3.3.2 Local Government Officials Have more Participatory and Efficient Structures, Policies and Practices

IR 2.3.3.3 Local Governments Have Working Partnerships with Private Profit and Non-profit Organizations to Support Local and Regional Development

IR 2.3.4 Intermediate Support Organizations are a Sustainable Source of Assistance to Local Governments

IR 2.3.4.1 National and Regional Associations and Foundations are Developing Sustainable Capacity to Support Local Government

IR 2.3.4.2 Sustainable Capacity of Training Institutions Established

Proposed Results Framework for SO2.3*

IR 2.3.1 National Legal Framework Provides Local Governments with the Authority to Match the Responsibilities Devolved by the State and Delegated by the Citizens

IR 2.3.1.1 Legal Reform at Central and Local Levels Is Advanced

IR 2.3.1.2 Involvement of Local Government in the National Policy-Making Process Is Increased

IR 2.3.2 The Financial Tools, Resources, and Practices of Local Governments to Fulfill Their Responsibilities and Improve the Local Revenue Base Are in Place

IR 2.3.2.1 National and Local Policies Support Increased Fiscal Decentralization

IR 2.3.2.2 Local Government Practices Support Increased Fiscal Capacity

IR 2.3.3 Local Government Competence Is Improved, Participatory Practices Are Strengthened, and Local Partnerships in Place

IR 2.3.3.1 Effective Program to Provide Training in Management Skills, Competence and Expertise in Local Government Is in Place

IR 2.3.4 Intermediate Support Organizations are a Significant Source of Assistance to Local Governments

IR 2.3.4.1 Intermediate Support Organizations Have Sustainable Capacity to Support Local Government

IR 2.3.4.2 Intermediate Support Organizations Promote Regional and Trans-border Linkages in Response to Local Government Development Priorities

* This proposed results framework was discussed and approved by E&E in the summer of 1999.

Country/Organization Name:

a. Objective Name: SO 1.3

Proposed newly reported indicator at SO level? No ☐ Yes ☐

IR1.3.2: Private Sector Business Support Associations & Institutions Strengthened

Proposed newly reported indicator for FY2003? No

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

Objective ID	Objective Name	IR Number	IR Title
183-013-01	Accelerated Development and Growth of Private Enterprises in a Competitive Environment	IR 1.3.2	Private Sector Business Support Associations & Institutions Strengthened
Current Indicator Name:		Increase in Fee-Paying Members of Assisted Associations/ISOs	
Newly Reported Indicator :		Abandoned	
		Target Data	
(Baseline)			
2001			
2002			
Current Indicator Name:			

Newly Reported Indicator :	
	Target Data
(Baseline)	
2001	
2002	
Current Indicator Name:	
Newly Reported Indicator :	
	Target Data
(Baseline)	
2001	
2002	
Current Indicator Name:	
Newly Reported Indicator :	
	Target Data
(Baseline)	
2001	
2002	

b. Objective Name: SO 1.4

Proposed newly reported indicator at SO level? No ☐ Yes ☐

IR1.4.2.2 Institutionalized and Broad Public Participation in Securities Markets Increased

Proposed newly reported indicator for FY2003? No

IR1.4.3: A sound, Regulated Private Pension System Established

Yes

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR : No ☐ Yes ☐

IR :

No ☐ Yes ☐

Objective ID	Objective Name	IR Number	IR Title
183-002-14	A More Competitive and Market Responsive Private Financial Sector	1.4.2.2	Institutionalized and Broad Public Participation in Securities Markets Increased
Current Indicator Name:		Number of Licensed Dealers	
Newly Reported Indicator :		None	
		Target Data	
(Baseline)			
2001			
2002			
Current Indicator Name:		None	
Newly Reported Indicator :		Value of Private Pension Assets Under Management	
		Target Data	
(Baseline)		0	
2001		20 000	
2002		40 000	
Current Indicator Name:			
Newly Reported Indicator :			
		Target Data	
(Baseline)			
2001			
2002			
Current Indicator Name:			
Newly Reported Indicator :			
		Target Data	
(Baseline)			
2001			
2002			

Success Stories

USAID Assistance Brings Success to a Young Bulgarian Farmer

In January 1996, twenty-nine-year-old Mincho Minchev from the village of Kran began dairy farming with eight cows. Over the next three years, he increased the number of animals on his farm and made improvements to his barns and equipment with a \$40,000 loan from the Bulgarian American Enterprise Fund, and with technical assistance from Dr. Dobri Yarkov, through USAID's Firm Level Assistance Program (FLAG).

Today, Mincho has 50 dairy cows for dairy production, as well as 16 heifers and 60 calves. With Dr. Yarkov's help, Mincho developed an efficient, labor-saving farm operation. "My farm looks very much like an American one; animals are free-stall and they go to their feed or bedding by themselves. Milking is done in a milking parlor. The floors are tilted and my plans are to use the flows from the drainage pits as fertilizer on my pastures," said the young farmer. "Dr. Yarkov also helps me with all veterinarian and breeding practices on the farm, which also contribute to increased milk production." Mincho is crop farming 30 hectares of land to produce forage for his herd. While attending training in the US, Mincho purchased a semen tank to replace his old one which was inefficient and expensive to maintain, and uses US-manufactured disinfectants to control disease and improve his milk quality and yield.

In addition to receiving assistance from FLAG, Mincho has undergone significant training in Minnesota and California through USAID training programs and is an active member of the "Zashtita" Dairy Producers Association – Plovdiv. Mincho Minchev was elected to the Board of Directors of the newly formed Bulgarian National Association of Dairy Producers. "This is a good beginning," says Mincho. "Thanks to the assistance and support of FLAG, we have succeeded in uniting farmers on a national level. Now, we will be more successful in approaching and assisting policy makers in the legislative and regulatory branches of the Bulgarian government."

Technical Twinning Program – Blagoevgrad, Bulgaria & Auburn, Alabama

The City of Blagoevgrad's partnership with Auburn, Alabama has been a remarkable success for USAID's Technical Twinning Program. As a result of this program, Blagoevgrad is one of the best examples of integrated municipal administration in Bulgaria. In addition to developing a long-term municipal strategic plan, which pioneered extensive citizen participation, the city established a high-tech Customer Service and Information Center -- winning first prize recognition from the City-County Communications and Marketing Association (3CMA), in recognition of the city's use of technology to improve citizens service through the establishment of a Customer Service and Information Center.

The Mayor of Blagoevgrad is one of the most dynamic and innovative municipal leaders, and currently chairs the managing board of the National Association of Municipalities in the Republic of Bulgaria (NAMRB). He has initiated a cross-border cooperation forum for local authorities from neighboring countries (Macedonia, Greece, Turkey) to discuss a local self-government agenda and encourage economic development. Blagoevgrad computerized its information systems through a grant from USAID, as part of the "Pilot Cities" project. In

addition to USAID's technical assistance, Blagoevgrad established an Economic Development Agency with funding from the United Nations Development Program.

Coalition 2000 Spotlights Corruption

The USAID-funded Coalition 2000 has been acclaimed for raising public awareness of the costs of corruption in Bulgaria. The public has embraced this joint effort of government and non-governmental entities to implement an anti-corruption policy. An important sign of the success of this effort has been the change in attitudes towards corruption. Because Bulgarians have been extremely tolerant of corruption, raising the awareness threshold has been a major task for Coalition 2000. The Coalitions' Quarterly Corruption Monitoring Surveys are now demonstrating that public tolerance has decreased. The media has significantly increased its focus on corruption and made corruption a headline topic, particularly over the last six months.

The spotlight on corruption in Bulgaria has increased with the initiation of EU accession negotiations. "Zero tolerance for corruption" has become the latest theme of the government's anticorruption agenda. The Bulgarian Government removed ten of sixteen cabinet ministers in December 1999, in response to the wide public perception that those ministers were corrupt. The public response was positive.

Coalition 2000's small grants to local NGOs throughout Bulgaria is having clear impact on people's everyday lives. This extension of the public awareness campaign to the local level has enhanced transparency, particularly in public services. The local anti-corruption initiatives have helped initiate corruption investigations in two cities: in Burgas, bribes in hospitals are being exposed, and the former Mayor of Smolyan is being prosecuted for bribery.

East – East Visits Yield Helping Hearts (Democracy Network)

The campaign "Generous Heart" started on a rainy April day in Ruse, a town of 200,000 people on the Danube River. The rain did not stop the 150 volunteers committed to raising funds for the local hospital. The campaign resulted from a USAID training course which took the Bulgarian organizer, Jordan De Meo, to Poland, where he witnessed a nation-wide campaign gathering funds for children with kidney disease. Hundreds of volunteers crisscrossed the streets of Warsaw, presenting those who gave even a small amount of money with a big red heart. Jordan was so impressed he swore to repeat the campaign in Ruse, his hometown, on one of the biggest Bulgarian holidays, Tsvetnitsa, the day of the flowers.

Despite the rain, 5,000 people wore paper hearts that day, and 12,000 lev were collected and donated to the local hospital. Four NGOs helped organize the event, and two Ruse businesses donated stickers, special shirts, and collection boxes for the volunteers. With the donations, the local hospital will be able to lease life-saving medical equipment. The first public fundraising campaign in Bulgaria was covered by regional and national media and touched the hearts of many Bulgarians. Jordan, who is president of the "Forum for Democratic Revival," a Russe NGO, and a member of a volunteer advisory board to the USAID Democracy Network program, is full of hope and eager to repeat the fundraising event next year with even greater success.

Global Climate Change

Under "RESULT 2: REDUCED NET GREENHOUSE GAS EMISSIONS FROM THE LAND USE/FOREST MANAGEMENT SECTOR" the Global Environment Facility (GEF) Project continues to provide significant support to Bulgaria's efforts to reduce greenhouse gas emissions. The major objectives of the Project are: the development of a collaborative system of administration and management of protected areas; strengthening the biodiversity conservation institutions; development of financial mechanisms to support biodiversity conservation in the long term; provision of equipment to carry out the preceding tasks. Management and institutional strengthening are carried out mainly on the local level, by providing two Bulgarian national parks (Central Balkan and Rila) with Management Plans, and by providing park administration staff with training and technical assistance. On the central level, the activity supports the National Nature Protection Service (NNPS), and assists the Ministry of Environment and Waters (MOEW) in the development of major biodiversity conservation legislation.

The GEF Biodiversity Project continued to focus its efforts in the past year on developing effective institutional structures and policies for management and administration of biodiversity conservation at the Category II IUCN Central Balkans and Rila National Parks (Indicator 1). More than 60% of these protected area lands are old growth forest, with an average age of more than 100 years. Both protected areas therefore represent significant carbon sinks in a country that is approximately 30% forested. The reason for reporting a reduced area covered within the Rila National Park is the recent Amendment to the Protected Areas Act (PAA) adopted by Parliament, restoring 23,000 ha of the Park's territory to the Rila Monastery under the Law on Restoring the Ownership over the Forests and Forest Fund Lands. Under the amended PAA, the restored lands have been re-categorized into Category V IUCN protected area (Rila Monastery Nature Park) but subject to the regime of Category II protected areas. To reflect the above changes, the Rila Monastery Nature Park is included as a separate location where USAID has initiated activities. As requested by the MOEW, the GEF Project will start working on the preparation of the management plan for the newly established Category V protected area in the follow-on phase of the Project. Since the area was originally part of the Rila National Park, comprehensive baseline data, studies, and maps already exist under GEF.

Although the Management Plans of the two national parks have already been completed, it is suggested that the related territory be counted again towards Indicator 1 until final approval of the plans by the MOEW, the relevant stakeholders, and the Council of Ministers. Both protected areas represent the highest form of natural ecosystems of national, regional, and international significance, due to the number of endangered, rare, endemic, and relic species.

Indicator 3 reflects USAID assistance to the MOEW and the NNPS in the area of policy development and institutional frameworks. Expert input was provided on behalf of the GEF Project in developing the National Biodiversity Action Plan (adopted by the Council of Ministers in June 1999), as well as in developing the draft regulations governing Management Planning of protected areas. A participatory strategy for the development of more supportive financial mechanisms was also presented to the MOEW. In view of the comprehensive scope of the management plans developed for the two national parks, it seems reasonable to denote policy

advances in the area of sustainable forest management and improved land use planning under Indicator 3.

To ensure sustainability of the newly established park institutions, the GEF Project conducted a series of technical trainings on a variety of conservation and protected areas management topics through local training sessions as well as a study tour to view U.S. park management models. On the technical level, critical field and infrastructure equipment was procured for the Central Balkan and Rila National Parks. All of the above activities are reflected under Indicator 5b.

To build on the results achieved, as well as strengthen the capacity for sustainability of Bulgaria's immature protected areas institutions, USAID will launch the Biodiversity for Economic Growth Project as a follow-on activity to the existing GEF Project, in May 2000. Under the new initiative, USAID will assist the MOEW with the finalization, review, and public hearings of the management plans for the Rila and Central Balkan National Parks, as well as develop a management plan for the Category V Rila Monastery Nature Park. On the central level, the Project will also assist the MOEW in alleviating constraints to protected area revenues by establishing and testing appropriate financing mechanisms. On the local level, the follow-on GEF Project will seek to develop an operational model for ecotourism activities which could serve the MOEW in the development of a national strategy for ecotourism. A national campaign for increasing public awareness on biodiversity, protected areas, and related issues, will also be conducted.

Under "RESULT 3: "DECREASED NET GREENHOUSE GAS EMISSIONS FROM THE ENERGY SECTOR, INDUSTRY AND URBAN AREAS", the SO 1.3 municipal energy efficiency activities also contribute to the GCC. The project developed a pipeline of energy efficiency projects which are currently under consideration for funding by Bulgarian banks. In implementing the projects, the banks will benefit from the Development Credit Authority mechanism through which USAID provides up to 50% guarantee on energy efficiency loans. Specific results from projects will be reported in the next fiscal year.

The Mission continues to monitor the results from two very successful pilot energy efficiency activities in hospitals in Gabrovo and Stara Zagora begun in 1998. As the specific figures from these pilot activities demonstrate (Indicator 3.1.B), significant gains can be realized from relatively small investments in energy efficiency. As a result of the pilot projects, the hospitals' heating costs were reduced by 40% during the winter season. Today, more than a dozen of the 31-member municipalities in the Municipal Energy Efficiency Network, created with USAID assistance, have expressed interest and commitment to adopting similar technologies.

FY99 Climate Change Reporting Guidance - Data Tables

Please fill in the YELLOW cells to complete the table.

Table 1 - Background Information	
Country, Region, Office, or Program Reporting:	USAID / Bulgaria
Name of person(s) completing tables:	Assia Alexieva
GCC Contact 1:	
SO Team (including SO number):	SO 4.1
GCC Contact 2:	Dontcho Barbalov
SO Team (including SO number):	SO 1.4.
GCC Contact 3:	Ivanka Tzankova
SO Team (including SO number):	SO 4.1
Contact Information (USG mail)	NDK Administrative Building
Address (1):	
Address (2):	Fifth floor
Street:	1 Bulgaria Sq.
City, Address Codes:	1463 Sofia, Bulgaria
Telephone number:	(+359 2) 9515670, (+359 2) 9515637
Fax number:	(+359 2) 9640102
Email address:	aalexieva@usaid.gov
Other relevant information:	

Please fill in the YELLOW cells to complete the table.

TABLE 2						
Result 1: Increased Participation in the UNFCCC						
Indicator 1: Policy Development Supporting the Framework Convention on Climate Change						
Policy Measure	PLEASE SEE BELOW for DEFINITIONS necessary to complete this table.					
	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CNTN Number for Activity
Ex: Integration of climate change into national strategic, energy, and sustainable development strategies	1	1		Gov't-established interagency group has completed all necessary analysis and preparation to develop NEAP. The government has also signed Annex b of the FCCC.	3.2	CN-23-222
Integration of climate change into national strategic, energy, and sustainable development strategies						
Emissions inventory						
Mitigation analysis						
Vulnerability and adaptation analysis						
National Climate Change Action Plan						
Procedures for receiving, evaluating, and approving joint implementation (JI) proposals						
Procedures for monitoring and verifying greenhouse gas emissions						
Growth baselines for pegging greenhouse gas emissions to economic growth						
Legally binding emission reduction targets and timetables						
Other (describe)						
Other						
Other						
Other						
Other						
Sub-total (number of policy steps achieved):	0	0	0			
TOTAL (number of policy steps achieved):	0					

Definitions: Policy Steps Achieved	
Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or decree; guidance issued by an agency, ministry, or sub-national body; a land use plan; a National Environmental Action Plan; a Climate Change Action Plan; or a National Communication to the IPCC. The term "policy measures" does not include technical documentation, such as technical reports or land use maps, nor site-specific activities reported under Indicators 1 and 2 (e.g., legal demarcation of individual site or granting of community access to single location).
Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.
Definitions: Types of Activities	
Adaptation	Adjustments in practices, processes or structures of systems to projected or actual changes of climate (may be spontaneous or planned).
Emissions inventory	Detailed listing of GHG sources and sinks.
Growth Baselines	An approach that would link countries' emissions targets to improvements in energy efficiency.
Joint Implementation (JI)	The process by which industrialized countries can meet a portion of their emissions reduction obligations by receiving credits for investing in GHG reductions in developing countries.
Mitigation	An action that prevents or slows the increase of greenhouse gases (GHGs) by reducing emissions from sources and sinks.
National Climate Change Action Plan	Plans that delineate specific mitigation and adaptation measures that countries will implement and integrate into their ongoing programs. These plans form the basis for the national communications that countries submit to the UNFCCC Secretariat.

Please fill in the YELLOW cells to complete the table.

TABLE 3					
Result 1: Increased Participation in the UNFCCC					
Indicator 2: Increased capacity to meet requirements of the UNFCCC					
Categories	Types of Support Provided (mark with an "X" for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Ex: Support for joint implementation activities	1	1	Provided training and assistance in the economic and financial evaluation of energy efficient projects for consideration in JI activities.	2.4	CN-23-222
Monitoring and verifying GHG emissions					
Growth baselines for pegging GHG emissions to economic growth					
Development of emissions reduction targets and timetables					
Support for joint implementation activities					
Other (describe)					
Other					
Other					
Other					
Other					
Total number of points for Training/Technical Assistance:	0	0			

Please fill in the YELLOW cells to complete the table.

TABLE 4														
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector														
Indicator 1: Area where USAID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss														
Indicator 2: Area where USAID has achieved on-the-ground impacts to preserve, increase, or reduce the rate of loss of carbon stocks														
PLEASE SEE BELOW for CODES and DEFINITIONS necessary to complete this table.	Location			The Site and USAID's Involvement						Additional information you may have (see codes below)	SO Number for Activity	CN/TN Number for Activity		
				Principal Activities (see codes below)	Indicator 1	Area where USAID has conserved carbon (hectares)								
	Country	Region, Province, or State	Site			Predominant vegetation type (see codes below)	Indicator 2a		Predominant managed land type (see codes below)				Indicator 2b	
							Natural ecosystems						Managed lands	
Ex: Tapajos National Forest Project	Brazil	Para	Tapajos National Forest	1	595,000	A	595,000				1, 2, 3, 5	1	CN-23-222	
				2	5,000	A		3						
									400					
Justification for including site:				Site of Tapajos project was included on the basis of demonstrated progress in forest conservation and resulting carbon sequestration benefits.										
Global Environment Facility (GEF) Biodiversity Conservation Project	Bulgaria	N/A	Central Balkan National Park	1	71699	D	71699	4			1, 2, 4, 5	4.1		
Justification for including site:														
Global Environment Facility (GEF) Biodiversity Conservation Project	Bulgaria	N/A	Rila National Park	1	84923	D	84923	4			1, 2, 4, 5	4.1		
Justification for including site:														
Global Environment Facility (GEF) Biodiversity Conservation Project	Bulgaria	N/A	Rila Monastery Nature Park	1	23000	D	23000	4			1, 2, 4, 5	4.1		
Justification for including site:														
4.														
Justification for including site:														
5.														
Justification for including site:														
6.														

Justification for including site:													
7.													
Justification for including site:													
8.													
Justification for including site:													
9.													
Justification for including site:													
10.													
Justification for including site:													
11.													
Justification for including site:													
12.													
Justification for including site:													
13.													
Justification for including site:													
14.													
Justification for including site:													
15.													
Justification for including site:													
Total area (hectares):				179,622		Total area:		179,622		Total area:		0	
<p>Note: If you need to list more than 15 activities in this table, please create a second copy of this spreadsheet, following the instructions at bottom.</p>													

Codes for Land Use and Forestry Sector Indicators									
Principal Activities:		Predominant Vegetation Type:				Predominant Managed Land Type:		Codes for Additional Information:	
1	Conservation of natural ecosystems (may include protected area management, extraction of non-timber products, etc. but <i>not</i> timber harvesting.)	A	Tropical evergreen forest	H	Tropical grassland and pasture	1	Agricultural systems: Less than 15% of the area under trees	1	Maps
2	Sustainable forest management for timber using reduced-impact harvesting (non-timber forest products may also be harvested)	B	Tropical seasonal forest	I	Temperate grassland and pasture	2	Agroforestry systems: Greater than 15% of the area under trees	2	Geo-referenced site coord-inates
3	Afforestation/reforestation/plantation forests	C	Temperate evergreen forest	J	Tundra and alpine meadow	3	Plantation Forests: At least 80% of the area under planted trees	3	Biomass inventory
4	Agroforestry	D	Temperate deciduous forest	K	Desert scrub	4	Protected areas	4	Rainfall data
5	Sustainable agriculture	E	Boreal forest	L	Swamp and marsh			5	Soil type data
		F	Temperate woodland	M	Coastal mangrove				
		G	Tropical open forest / woodland	N	Wetlands				

Definitions: Natural Ecosystems	
Natural Ecosystems	Any areas that have not experienced serious degradation or exploitation of biomass, and without significant harvest of biomass. This includes protected areas, areas used for the extraction of non-timber forest products, and community-managed forests with minimal timber extraction. Areas where non-timber forest products are harvested can be counted in this category but not those that are managed for timber. The latter are included in 2b below. The distinction is important as different approaches are employed in estimating carbon for “natural areas” (2a) and “managed areas” (2b). Natural areas include: (1) protected areas; (2) areas where non-timber forest products are extracted if significant biomass is not removed (often managed as community-based forest management areas); and (3) any other areas which exclude larger-scale biomass harvest from a management regime including many areas managed by communities and/or indigenous groups.
Definitions: Managed Lands Categories	
Sustainable Forest Management for Timber, using Reduced Impact Harvesting (RIH)	<p>A timber management activity will be considered to have a positive impact on carbon (relative to conventional methods) if it employs RIH practices and/or other key criteria. RIH is a package of practices proven to minimize environmental damage and carbon emissions during the logging of natural tropical forest. To be included, an activity must include most of the following practices:</p> <ul style="list-style-type: none"> - tree inventorying, marking and mapping; - careful planning and marking of skidder trails; - vine cutting prior to harvest, where appropriate; - directional felling of trees; - appropriate skidding techniques that employ winching and best available equipment (rubber tired skidder/animal) - proper road and log deck construction; - a trained work force and implementation of proper safety practices; - fire mitigation techniques (fire breaks); - existence of a long-term management plan. <p>Report on the area where government, industry or community organizations are carrying out forest management for commercial timber using the techniques above, or forest management areas that have been “certified” as environmentally sound by a recognized independent party. Only the area where sound planning and harvesting is being currently practiced should be included (not the whole concession or forest).</p>
Agroforestry	<p>Agroforestry covers a wide variety of land-use systems combining tree, crop and/or animals on the same land. Two characteristics distinguish agroforestry from other land uses: 1) it involves the deliberate growing of woody perennial on the same unit of land as agricultural crops and/or animals either spatially or sequentially, and 2) there is significant interaction between woody and non-woody components, either ecological or economical. To be counted, at least 15 percent of the system must be trees or woody perennials grown for a specific function (shade, fuel, fodder, windbreak). Include the area of land under an agroforestry system in which a positive carbon benefit is apparent (i.e., through the increase in biomass, litter or soil organic matter). Do not include agroforestry systems being established on forestlands that were deforested since 1990.</p>

Reforestation/ Afforestation	The act of planting trees on deforested or degraded land previously under forest (reforestation) or on land that has not previously been under forest according to historical records (afforestation). This would include reforestation on slopes for watershed protection; mangrove reforestation or reforestation to protect coastal areas; commercial plantations and community tree planting on a significant scale, and/or the introduction of trees in non-forested areas for ecological or economic purposes. -- Include the area under reforestation or afforestation (i.e., plantation forests and/or community woodlots). Do not include natural forested areas that have been recently deforested for the purpose of planting trees. Do not include tree planting in agroforestry systems (include this under agroforestry).
Sustainable Agriculture	Agricultural systems that increase or maintain carbon in their soil and biomass through time by employing certain proven <ul style="list-style-type: none"> - no-tillage or reduced tillage - erosion control/soil conservation techniques, especially on hillsides - perennial crops in the system - higher crop yields through better nitrogen and soil management - long-term rotations with legumes - the use of organic mulches, crop residues and other organic inputs into the soil - better management of agrochemicals, by stressing careful fertilizer management that will increase yields while minimizing the use of petro-based agrochemicals which increase emissions.

Special Instructions: Creating a Copy of this Spreadsheet	
Step 1	Finish filling any cells you are working on and hit " Return " or " Enter ".
Step 2	Then click on " Edit " in the menu bar, above. Go down and click on " Move or Copy Sheet ". The "Move or Copy" dialog box will open. (NOTE: You may also open this dialog box by using the right button on your mouse and clicking on the "T4-2.1 Land Use" tab near the bottom of the screen.)
Step 3	Next, scroll down in the dialog box and click on " T4-2.1 Land Use ".
Step 4	Next, click on the box at bottom to Create a copy .
Step 5	Hit " OK ". A new copy of T4-2.1 Land Use will appear in the row of tabs near the bottom of the screen. PLEASE NOTE: Some cells may not retain all the original ntext when the sheet is copied, especially in the definitions sections.

Please fill in the YELLOW cells to complete the table.

TABLE 5							
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector							
Indicator 3: National/sub-national policy advances in the land use/forestry sector that contribute to the preservation or increase of carbon stocks and sinks, and to the avoidance of greenhouse gas emissions							
PLEASE SEE BELOW FOR DEFINITIONS necessary to complete this table.							
Policy Measure	Scope (N or S)	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CN/TN Number for Activity
Ex: Facilitates establishment and conservation of protected areas	N	2	1		Two studies completed on national protected areas law for the Environment Min., including recommendations for legal reform; revised National Protected Areas Law adopted, Min. Decree No. 1999/304.	3.1	TN-556-27
Facilitates improved land use planning	S	2			Two management plans developed	4.1	
Facilitates sustainable forest management	S	2			Two management plans developed	4.1	
Facilitates establishment and conservation of protected areas	N	2	3		Regulations on Protected Area Management Planning adopted, Decree No. 7; National Biodiversity Action Plan adopted by Council of	4.1	
Improves integrated coastal management							
Decreases agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management							
Corrects protective trade policies that devalue forest resources							
Clarifies and improves land and resource tenure							
Other (describe)							
Other							
Other							
Other							
Other							
Sub-total (number of policy steps achieved):		6	3	0			
		Total (number of policy steps achieved):		9			

Definitions: Scope	
National Policies (N)	Policies that influence issues on a countrywide level.
Sub-national Policies (S)	Policies that affect a tribal nation, province, state or region that are neither national nor site specific in impact.
Definitions: Policy Steps Achieved	
Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or decree; guidance issued by an agency, ministry, or sub-national body; a land use plan; a National Environmental Action Plan; a Climate Change Action Plan; or a National Communication to the IPCC. The term "policy measures" does not include technical documentation, such as technical reports or land use maps, nor site-specific activities reported under Indicators 1 and 2 (e.g., legal demarcation of individual site or granting of community access to single location).
Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Please fill in the YELLOW cells to complete the table.

TABLE 6							
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector							
Indicator 4: Value of Public and Private Investment Leveraged by USAID for Activities that Contribute to the Preservation or Increase of Carbon Stocks and Reduction of Greenhouse Gas Emissions							
PLEASE SEE BELOW for DEFINITIONS necessary to complete this table.		Source of Leveraged Funds	Describe methodology for determining amount of funding	Direct Leveraged Funds	Indirect Leveraged Funds	SO Number for Activity	CN/TN Number for Activity
Activity Description							
Ex	National Nature Conservation Fund	National Government	Figure reflects direct, in-kind contribution of national government.	\$572,800		3.3	TN-556-27
Ex	Big Forest Climate Change Action Project	The Nature Conservancy and the Friends of Nature Foundation	NGOs initiated independent activity with separate funding, building on earlier USAID conservation project.		\$1,700,000	3.3	CN-23-222
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
Total:				\$0	\$0		

Definitions: Funding Leveraged	
Direct Leveraged Funding	Funding leveraged directly in support of USAID activities and programs, including: <ul style="list-style-type: none"> - funding leveraged from partners for joint USAID activities; - funding for activities in which USAID developed enabling policies, regulations, or provided pre-investment support (prorated); - obligated or committed funding for direct follow-on MDB loan programs (prorated); - obligated or committed funding for direct follow-on private-sector funded programs that reach financial closure (prorated); - joint implementation investments; - Development Credit Authority investments.
Indirect Leveraged Funding	Funding dedicated by other donors or governments to replicate programs that USAID initiated, but which USAID does not or will not itself fund.

Please fill in the YELLOW cells to complete the table.

TABLE 6				
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector				
Indicator 5a: Increased Capacity to Address Global Climate Change Issues				
Number of institutions strengthened to address GCC issues		Names of Associations, NGOs, or other Institutions Strengthened	SO Number for Activity	CN/TN Number for Activity
Ex: Number of NGOs	4	Friends of Nature Foundation, SITA, Sustainable Forests Unlimited	3.2	CN-23-222
Number of NGOs				
Number of Private Institutions				
Number of Research/Educational Institutions				
Number of Pubic Institutions				
Total Number of Institutions Strengthened:	0			

Please fill in the YELLOW cells to complete the table.

Table 8					
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector					
Indicator 5b: Technical Capacity Strengthened through Workshops, Research, and/or Training Activities					
Category	Types of Support Provided (mark with an "X" for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Ex: Advancing sustainable forest management	1	1	Presentation of nursery & reforestation studies; US training on resource mgmt; env'l impact assessment law training; forest restoration & recovery workshop. TA for fire prevention.	3.3	CN-23-222
Advancing improved land use planning	1	1	Management planning workshops; TA in Financial mechanisms for PA; Mgmt planning; GIS; Ecotourism;	4.1	
Advancing sustainable forest management	1	1	Natural resources mgmt in national parks training; TA in Sustainable Forestry management	4.1	
Advancing establishment and conservation of protected areas	1	1	Biodiversity conservation training; Visitors mgmt and PR training; GIS training; Rangers training; US study tour; TA in Operations and mgmt systems of PA;	4.1	
Advancing integrated coastal management					
Advancing decreases in agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management					
Advancing the correction of protective trade policies that devalue forest resources					
Advancing the clarification and improvement of land and resource tenure					
Other (describe)					
Other					
Other					
Other					
Other					
Number of categories where training and technical assistance has been provided:	3	3			

Please fill in the YELLOW cells to complete the table.

TABLE 9											
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas											
Indicator 1: Emissions of Carbon Dioxide Equivalents Avoided, due to USAID Assistance (Measuring Carbon Dioxide, Methane, and Nitrous Oxide)											
Activity	3.1 A - CO2 Emissions avoided through renewable energy activities			3.1 B - CO2 emissions avoided through end use energy efficiency improvements			3.1 C - CO2 emissions avoided through energy efficiency improvements in generation, transmission, and distribution (including new production capacity)			SO number for Activity	CN/TN Number for Activity
	MW-h produced in electricity generation	BTU's produced in thermal combustion	Fuel type replaced (use codes)	MW-h saved	BTU's saved in thermal combustion	Fuel type saved (use codes)	MW-h saved	BTU's saved in thermal combustion	Fuel type saved (use codes)		
Ex Renewable Energy Production Prog.	512,258		J							2.1	CN-120-97
Ex Steam & Combustion Efficiency Pilot Proj.					1,832,144	J				2.1	CN-120-97
Ex Power Sector Retrofits							912,733		T	2.1	CN-120-97
1 Gabrovo Hospital Pilot Project					8,089,295,734	s				1.3	
2 Gabrovo Hospital Pilot Project					436,757,101	h				1.3	
3 Ztara Zagora Hospital Pilot Project					2,414,541,279	h				1.3	
4 Ztara Zagora Hospital Pilot Project				564,310		electricity				1.3	
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
Totals:	0	0		564310	10,940,594,114		0	0			

Activity	3.1 D - CO2 emissions avoided as a result of switching to cleaner fossil fuels (including new production capacity)				3.1 E - Methane emissions captured from solid waste, coal mining, or sewage treatment	3.1 F - Tonnes of nitrous oxide emissions avoided through improved agriculture	SO number for Activity	CN/TN Number for Activity
	MW-h produced in electricity generation	BTUs produced in thermal combustion	Old fuel type (use codes)	New fuel type (use codes)	Tonnes of methane	Tonnes of nitrous oxide		
Ex Clean Fuels Program	4,551		H	FF			2	CN-120-97
Ex Municipal Landfill Proj.					450		2	CN-120-97
Ex Sust. Ag. & Devt. Proj.						575	2	CN-120-97
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
Totals:	0	0			0	0		

Codes for Fuel Type			
Fuel Types		Code	Fuel Name
Liquid Fossil	Primary Fuels	A	Crude oil
		B	Orimulsion
		C	Natural gas liquid
	Secondary Fuels	D	Gasoline
		E	Jet kerosene
		F	Other kerosene
		G	Shale oil
		H	Gas/diesel oil
		J	Residual fuel oil
		K	LPG
		L	Ethane
		M	Naphtha
		N	Bitumen
		O	Lubricants
		P	Petroleum coke
		Q	Refinery feedstocks
		R	Refinery gas
		S	Other oil
Solid Fossil	Primary Fuels	T	Anthracite (coal)
		U	Coking coal
		V	Other bituminous coal
		W	Sub-bituminous coal
		X	Lignite
		Y	Oil shale
		Z	Peat
	Secondary fuels/ products	AA	BKB & patent fuels
		BB	Coke oven/gas coke
		CC	Coke oven gas
DD		Blast furnace gas	
Gaseous Fossil		EE	Natural gas (dry)
Biomass		FF	Solid biomass
		GG	Liquid biomass
		HH	Gas biomass

Please fill in the YELLOW cells to complete the table.

TABLE 10							
Result 3: Decreased Net Greenhouse Gas Emissions from the Energy Sector, Industry, and Urban Areas							
Indicator 3: National/sub-national policy advances in the energy sector, industry and urban areas that contribute to the avoidance of greenhouse gas emissions							
PLEASE SEE BELOW for DEFINITIONS necessary to complete this table.	Scope (N or S)	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CN/TN Number for Activity
Policy Measure							
Example: Facilitates improved demand side management or integrated resource planning	N	2	1		Mission supported introduction of two decrees for energy tariff reforms (pursuant to National Energy Reform Law) in the national parliament; one decree was adopted.	2.4	CN-577-92
Facilitates improved demand side management or integrated resource planning							
Facilitates competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers	N	1	1	1	Policy advisor on drafting the new Bulgarian law on Energy and Energy Efficiency	1.3	
Facilitates the installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes	N	1	1	1	Policy advisor on drafting the new Bulgarian law on Energy and Energy Efficiency	1.3	
Facilitates the use of renewable energy technologies	N	1	1		Policy advisor on drafting the new Bulgarian law on Energy and Energy Efficiency	1.3	
Facilitates the use of cleaner fossil fuels (cleaner coal or natural gas)							
Facilitates the introduction of cleaner modes of transportation and efficient transportation systems							
Promotes the use of cogeneration							
Other (describe)							
Other							
Other							
Other							
Other							
Sub-total (number of policy steps achieved):		3	3	2			
Total (number of policy steps achieved):				8			

Definitions: Scope	
National Policies (N)	Policies that influence issues on a countrywide level.
Sub-national Policies (S)	Policies that affect a tribal nation, province, state or region that are neither national nor site specific in impact.
Definitions: Policy Steps Achieved	
Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or decree; guidance issued by an agency, ministry, or sub-national body; a land use plan; a National Environmental Action Plan; a Climate Change Action Plan; or a National Communication to the IPCC. The term "policy measures" does not include technical documentation, such as technical reports or land use maps, nor site-specific activities reported under Indicators 1 and 2 (e.g., legal demarcation of individual site or granting of community access to single location).
Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Please fill in the YELLOW cells to complete the table.

Table 11					
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas					
Indicator 4: Strategies/Audits that Contribute to the Avoidance of Greenhouse Gas Emissions					
Activity		Number of audits or strategies completed	Number or audit recommendations or strategies implemented	SO Number for Activity	CN/TN Number for Activity
Ex	Steam & Combustion Efficiency Pilot Project	41	35	2.1	CN-577-92
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
Total:		0	0		

Please fill in the YELLOW cells to complete the table.

TABLE 12							
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas							
Indicator 5: Value of Public and Private Investment Leveraged by USAID for Activities that Reduce Greenhouse Gas Emissions							
PLEASE SEE BELOW for DEFINITIONS necessary to complete this table.		Source of Leveraged Funds	Describe methodology for determining amount of funding	Direct Leveraged Funds	Indirect Leveraged Funds	SO Number for Activity	CN/TN Number for Activity
Activity Description							
Ex	National Renewable Energy Program	Dept. of Energy, World Bank-GEF	DOE direct buy-in to USAID. In FY99, GEF funded replication of NREP activity begun in FY98, called the Renewables for Economic Devt Proj.	\$120,000	\$2,500,000	2	CN-577-92
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
Total:				\$0	\$0		

Definitions: Funding Leveraged	
Direct Leveraged Funding	Funding leveraged directly in support of USAID activities and programs, including: <ul style="list-style-type: none"> - funding leveraged from partners for joint USAID activities; - funding for activities in which USAID developed enabling policies, regulations, or provided pre-investment support (prorated); - obligated or committed funding for direct follow-on MDB loan programs (prorated); - obligated or committed funding for direct follow-on private-sector funded programs that reach financial closure (prorated); - joint implementation investments; - Development Credit Authority investments.
Indirect Leveraged Funding	Funding dedicated by other donors or governments to replicate programs that USAID initiated, but which USAID does not or will not itself fund.

Please fill in the YELLOW cells to complete the table.

TABLE 13				
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas				
Indicator 6a: Increased Capacity to Address Global Climate Change Issues				
Number of institutions strengthened to address GCC issues		Names of Associations, NGO's or other Institutions Strengthened	SO Number for Activity	CN/TN Number for Activity
Example: Number of NGOs	5	Center for Cleaner Production, Association of Industrial Engineers, National Solar Energy Foundation, Clean Air Alliance, Institute for Industrial Efficiency	2.4	CN-577-92
Number of NGOs	2	Municipal energy efficiency network, Center for Energy Efficiency Eneffect	1.3	
Number of Private Institutions				
Number of Research/Educational Institutions				
Number of Pubic Institutions				
Total Number of Institutions Strengthened:	2			

Please fill in the YELLOW cells to complete the table.

Table 14					
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas					
Indicator 6b: Technical Capacity Strengthened through Workshops, Research, and/or Training Activities					
Category	Types of Support Provided (mark with an "X" for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Example: Use of renewable energy technologies	1	1	Developed sustainable markets for renewable energy technologies. Over 200 renewable energy systems installed. Training for utilities, government officials, NGOs. Study on renewable energy applications completed.	2.4	CN-577-92
Improved demand-side management or integrated resource planning					
Competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers					
Installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes	1	1	Municipal Energy Efficiency Project	1.3	
Use of renewable energy technologies					
Use of cleaner fossil fuels (cleaner coal or natural gas)					
Introduction of cleaner modes of transportation and efficient transportation systems					
Use of cogeneration					
Other (describe)					
Other					
Other					
Other					
Other					
Total number of points for Training/Technical Assistance:	1	1			

E&E R4 Detailed Budget Information

Information annex topic: E&E R4 Detailed Budget Information

**BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE**

Proprietary Procurement Information:**Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Government**

		FY 00	FY 01	FY02
		OYB	32 mln.	32 mln.
		(\$'000)	(\$'000)	(\$'000)
180-0010	Enterprise Funds			
.08	* Bulgarian-American Enterprise Fund	2,000	0	0
180-0014	Privatization, Enterprise Restructuring			
.02	* Capital Markets	1,700	1,450	900
.04	* Banking Sector	2,750	2,500	1,250
	* Pension Reform	500	1,000	1,000
	* Secured Access to Health Care	700	1,500	1,000
	* Macro Economic Advisory Services (HIID)	0	0	0
	PROJECT TOTAL	5,650	6,450	4,150
180-0019	Democratic Gov. & Public Admin.			
.07	* Local Government Initiative	2,500	2,350	2,750
	* Municipal Association Development	900	900	1,300
	* Municipal Sustainable partnerships (Technical Twinning)	600	400	500
	PROJECT TOTAL	4,000	3,650	4,550
180-0020	Rule of Law			
.02	* ABA Grant	700	700	500
	* Judicial Professional Development and Court Administration	2,000	1,800	1,700
	* Magistrate Training Institute Development	300	300	400
	* Prosecutors/Investigators Training	0	200	800
	PROJECT TOTAL	3,000	3,000	3,400
180-0021	Political and Social Process			
.08	* ACILS (ex-FTUI)	800	400	400
.14	* Parliamentary Assistance	100	100	100
	* Program on Public Awareness of Corruption (IDLI/TI)	750	1,250	1,250
	* Conflict Prevention/Ethnic Integration	500	500	500
	PROJECT TOTAL	2,150	2,250	2,250
180-0022	Independent Media			
.03	* Professional Media Program	400	400	400
	PROJECT TOTAL	400	400	400
180-0023	Technical Assistance to Enterprises			
.01	* IESC	597	500	0
.05	* MBA Enterprise Corps	65	0	0
.07	* Peace Corps (SPA)	100	100	100
.18	* IPC (G/EG buy-in)	750	1,000	1,250
.23	* Microfinance	1,450	2,000	2,850
.25	* Univ. of Delaware	1,000	750	750

**BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE**

Proprietary Procurement Information:**Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Government**

		FY 00 OYB (\$'000)	FY 01 32 mln. (\$'000)	FY02 32 mln. (\$'000)
	* Policy and Microlending Specialists	200	400	400
	PROJECT TOTAL	4,162	4,750	5,350
180-0024	Restructuring Agriculture & Agribusiness			
.01	* VOCA/ACDI	1,088	1,000	800
	PROJECT TOTAL	1,088	1,000	800
180-0030	Regional Energy Efficiency			
.01	* Municipal Energy Efficiency and Regional Networking	950	1,000	750
	* Energy Restructuring and Regulation		250	1,000
	PROJECT TOTAL	950	1,250	1,750
180-0032	NGO Development			
.09	* Democracy Network	1,400	1,000	2,000
.16	* NGO Legislation - ICNL	120	120	120
	* Parliamentary Internship Program	80	80	80
	* Civil Society - Business Linkages and Public Awareness	500	500	500
	PROJECT TOTAL	2,100	1,700	2,700
180-0033	Labor Market Transition			
	* Integrated Community Level Support (Transfer to DoL)	600	600	600
	* Labor Force Restructuring, AUBG grant	250	250	
	PROJECT TOTAL	850	850	600
180-0039	Improved Public Sector Environmental Services			
	* GEF - Follow-on activities	500	1,200	1,000
	PROJECT TOTAL	500	1,200	1,000
180-0045	Participant Training			
.01	* TRANSIT	2,000	2,100	2,100
	PROJECT TOTAL	2,000	2,100	2,100
180-0249	Audit, Evaluation & Program Support			
.02	* Program Support	700	700	700
	* Performance Fund for the Presidential Initiative on Internet	0	0	0
	PROJECT TOTAL	700	700	700
180-xxxx	Transferred or Withheld from OYB			
	* Transfers to USIA			
	- Democracy Commission	250	250	250
	- Media training	100	100	100
	- Ron Brown Fellowships	150	150	150

**BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE**

Proprietary Procurement Information:**Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Government**

	FY 00	FY 01	FY02
	OYB	32 mln.	32 mln.
	(\$'000)	(\$'000)	(\$'000)
- Civic Education	150	150	150
- Public Administration University Linkages	100	100	
* Transfers to State Department			
- Customs Reform	600		
- Customs Advisor	250		
* Transfers to the Treasury			
- Debt Advisor	475	475	500
- Macro Advisor	100	475	100
- Tax Advisor	275	1,000	1,000
PROJECT TOTAL	2,450	2,700	2,250

TOTAL

30,000	32,000	32,000
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BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE

Proprietary Procurement Information:

Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Government	FY 00	FY 01	FY02
	OYB	32 mln.	32 mln.
	(\$'000)	(\$'000)	(\$'000)

SO 1.3 Accelerated Development and Growth of Private Enterprises in a Competitive Environment

* ABA Grant	700	700	500
* Firm Level Assistance Group (FLAG)			
- IESC	597	500	0
- MBA Enterprise Corps	65	0	0
- VOCA/ACDI	1,088	1,000	800
- Univ. of Delaware	1,000	750	750
* Microfinance	1,450	2,000	2,850
* GBTI buy-in	750	1,000	1,250
* Energy			
- Municipal Energy Efficiency and Regional Networking	950	1,000	750
- Energy Restructuring and Regulation	0	250	1,000
* Macro-Economic Advisory Services	0	0	0
* Ron Brown Fellowships	150	150	150
* Policy and Microlending Specialists	200	400	400
SO 1.3 TOTAL	6,950	7,750	8,450

SO 1.4 A More Competitive and Market-Responsive Private Financial Sector

* Banking Sector	2,750	2,500	1,250
* Capital Markets	1,700	1,450	900
* Pension Reform (Pillars I & II)	500	1,000	1,000
* Secured Access to Health Care	700	1,500	1,000
* Treasury Programs			
- Debt Advisor	475	475	500
- Macro Advisor	100	475	100
- Tax Advisor	275	1,000	1,000
SO 1.4 TOTAL	6,500	8,400	5,750

SO 2.1 Increased, Better-Informed Citizens' Participation in Public Policy Decision-making

* Professional Media Program	400	400	400
* Media training (Transfer to USIA)	100	100	100
* Democracy Network	1,400	1,000	2,000
* Conflict Prevention/Ethnic Integration	500	500	500
* Civil Society - Business Linkages and Public Awareness	500	500	500
* ICNL	120	120	120
* Democracy Commission (Transfer to USIA)	250	250	250

BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE

Proprietary Procurement Information:

Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Government	FY 00 OYB (\$'000)	FY 01 32 mln. (\$'000)	FY02 32 mln. (\$'000)
* Anti Corruption Activity	750	1,250	1,250
* Parliamentary Internship Program	80	80	80
* Parliamentary Assistance	100	100	100
* Civic Education (Transfer to USIA)	150	150	150
SO 2.1 TOTAL	4,350	4,450	5,450

SO 2.2 An Improved Judiciary that Better Supports Democratic Processes and Market reforms

* Judicial Professional Development and Court Administration	2,000	1,800	1,700
* Magistrate Training Institute Development	300	300	400
* Prosecutors/Investigators Training	0	200	800
SO 2.2 TOTAL	2,300	2,300	2,900

SO 2.3 Local Governments are Making Responsive choices and Acting on them Effectively and Accountably

* Local Government Initiative	2,500	2,350	2,750
* Municipal Association Development	900	900	1,300
* Municipal Sustainable partnerships (Technical Twinning)	600	400	500
* Integrated Community Level Support (Transfer to DoL)	600	600	600
* Public Administration University Linkages (Transfer to USIA)	100	100	0
SO 2.3 TOTAL	4,700	4,350	5,150

SO 4.1 Special Initiatives

* Environmental Partnerships - follow-on	500	1,200	1,000
* Bulgaria Enterprise Fund	2,000	0	0
* Peace Corps (SPA)	100	100	100
* Presidential Initiative on Internet	0	0	0
* Labor Force Restructuring	250	250	0
* Customs Reform - Transfer to the State Department	600	0	0
* Customs Advisor - Transfer to the State Department	250	0	0
SO 4.1 TOTAL	3,700	1,550	1,100

SO 4.2 Cross-Cutting Programs

* TRANSIT	2,000	2,100	2,100
* ACILS, ex-FTUI	800	400	400
* Program Evaluation and Support	700	700	700

**BULGARIA COUNTRY PLANNING BUDGETS - FY 2000 - FY 2002
BY STRATEGIC OBJECTIVE**

Proprietary Procurement Information:

Criminal and Civil Penalties Apply for Disclosure Outside the U.S. Governmen	FY 00	FY 01	FY02
	OYB	32 mln.	32 mln.
	(\$'000)	(\$'000)	(\$'000)

SO 4.2 TOTAL	3,500	3,200	3,200
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TOTAL			32,000	32,000	32,000
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Supplemental Annex

Title II Programs

Title II program resources for Bulgaria were jointly disbursed and managed by the Mission, BHR/FFP/ER and ENI/DG, and were appropriated in FY 98 for the second consecutive year.

The Title II programs were designed to assist in Bulgaria's EU accession by easing the burden of structural unemployment and transition-related household poverty. The two implementing entities were Catholic Relief Services (CRS) and the American Red Cross (ARC).

CRS targeted certain sub-groups among the long-term unemployed. As part of the second phase of the program 20,000 loaves of bread were distributed daily to 64,000 beneficiaries (28,000 long-term unemployed and 36,000 kids under 18). The program was completed in March 2000.

The ARC program focused on elderly pensioners. The supplied commodities (wheat flour, beans, rice, and oil) approximated 3,600 metric tons and were distributed to 60,000 beneficiaries in 22 regions across Bulgaria. Surplus amounts were allocated to 29 social welfare institutions. The program was completed in September 1999.

Both Title II programs turned out to be flexible tools for the Mission to respond to disasters in Bulgaria and crises in neighboring countries. Twice during the summer of 1999, USAID was able to respond to a request on behalf of the GOB for assistance for the victims of two devastating floods in the Northwest and Northeast of the country. Food packages were distributed to over 2,000 people in the flooded regions. CRS redirected 12MT of flour to respond to needs in the Northwest of Bulgaria providing assistance to 200 families, most affected by severe damages. In addition, 3,038 MT of flour available in warehouses in Bulgaria were loaned to CRS in Macedonia to help them respond to the refugee influx in Macedonia as a result of the Kosovo crisis.

The American Mission in Sofia is regularly approached by different institutions requesting humanitarian assistance. Given the relative frequency of those requests, as well as the statistical data indicating increased poverty and unemployment, USAID/Bulgaria might consider a limited Humanitarian Feeding program.